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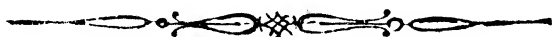
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CHRONICLE OF EVENTS

January—June 1932

CHRONICLE OF EVENTS

JANUARY 1932

1st. Civil Disobedience revived : Congress Working Committee's Resolutions :—After protracted deliberations, the All-India Congress Working Committee passed a resolution tentatively planning Civil Disobedience, which Mahatma Gandhi, in his reply to the Viceroy, said would be suspended if the Viceroy considered it worth while to peruse it. The plan included a vigorous boycott of British goods, and concerned also disobedience of "unmoral laws." Regarding the request to the Viceroy to reconsider his reply to Gandhiji the Working Committee urged for a public and impartial inquiry into the Ordinance question. The Committee also passed a resolution that the Premier's Round Table Conference Declarations were wholly unsatisfactory and inadequate in terms of the Congress demands. In the event of a satisfactory response not coming from Government, the Working Committee called upon the nation to resume civil disobedience. The following conditions, however, were to be strictly observed:—(1) People must be ready to undergo great suffering and yet remain non-violent; (2) social boycott of Government officials is to be undertaken; (3) Volunteers should never be hired, though the bare wants of themselves or their dependents may be provided; (4) Boycott of all foreign cloth is obligatory; (5) Non-violent picketing of liquor and foreign cloth shops is to be resumed; (6) Unlicensed manufacture and collection of salt should be resumed; (7) Orders issued under the Ordinances may be civilly disobeyed.

2nd. Liberals' Appeal to Viceroy :—The Council of the National Liberal Federation of India met under the Presidentship of Sir Pheroze Sethna and after a heated debate on the situation in the country created by the promulgation of the Ordinances, decided to telegraph to the Viceroy urging that every avenue should be explored for the continuance of co-operation of all progressive political parties in the country for the successful conclusion of the Round Table Conference.

3rd. Belated Refulgence of Liberal Lights :—The leading Liberal lights of Bombay alarmed at the prospect of the revival of the Civil Disobedience Movement made repeated entries and exits to and from "Mani Bhuvan" wearing grave looks. Being questioned as to the results of their activities, they were either non-committal or admitted that they were unable to move their little finger in averting a crisis.

4th. Arrests and Convictions :—Mahatma Gandhi arrested at "Mani Bhuvan", Bombay. Simultaneously with Gandhiji's arrest, Mr. Vallabhbhai Patel, Congress President, was taken into custody at his own residence under the same Regulation as Gandhiji, and driven in a separate car to Poona. He was taken to the Yerwada prison. Scenes that were witnessed in Bombay following the arrest of Mahatma Gandhi and Sardar Vallabhbhai Patel were vividly reminiscent of the days of the Civil Disobedience Movement last year. A huge procession paraded the city streets waving national flags. Old and familiar national slogans were sent out from house-tops. All shops shut their doors, and suspended business as a mark of protest against the arrests. The hartal was both complete and voluntary.—Babu Rajendra Prasad, the member of the Congress Working Committee for Bihar, who had been nominated by Sardar Patel to succeed him as the Congress President, was arrested at the Sadakat Asram, headquarters of the Bihar Provincial Congress Committee.—Pandit Jawaharlal Nehru, General Secretary, Indian National Congress, was sentenced to two years' rigorous imprisonment and a fine of Rs. 500, or in default 3 months more under the U. P. Ordinance for disobeying the order not to leave the municipal limits of Allahabad.—Mr. T. A. K. Sherwani was sentenced to six months and a fine of Rs. 150 or in default, 3 months more.

Congress Working Committee Declared Unlawful.—The Government of India declared the Working Committee of the All-India Congress Committee an unlawful association as constituting a danger to the public peace.

Four New Ordinances Promulgated:—H. E. the Viceroy promulgated four Ordinances for the purpose of meeting the situation created by the civil disobedience movement. (1) *The Emergency Powers Ordinance*:—This was practically on the lines of the Ordinance for the North West Frontier Province, excepting that its scope was widened to include all acts prejudicial to public safety and peace and that it reintroduced the Old Press Ordinance for the whole of India under the machinery of the Press Act. This Ordinance was extended immediately by notification to Bombay and Bengal. The Ordinance gave power not only to control suspected persons who act in a manner prejudicial to public safety or peace, but also covered acts in furtherance of a movement prejudicial to public safety or peace. (2) *Unlawful Instigation Ordinance*:—This was the same as applied to United Provinces and North West Frontier Province and was extended immediately to Madras, Bombay, Punjab, Bihar and Orissa and Central Provinces.—*Unlawful Associations Ordinance*:—This was the same as applied to the North West Frontier Province and was extended at once to Madras, Bombay, Bengal, United Provinces and Bihar and Orissa. It also gave powers to the Government of India to declare any association unlawful so that the order so far may have effect throughout British India. This was meant to cover the difficulty experienced on the last occasion by every local Government having declared the Congress Working Committee unlawful. (4) *Prevention of Molestation and Boycotting Ordinance*:—This extended to the whole of British India but before it was brought into force local Governments would have to notify. The Ordinance was on the lines of the Old Ordinance except that it extended the definition of molestation to include peaceful picketing as an offence.

5th. Arrests and Convictions in U. P.—Lucknow Congress leaders, Mr. C. B. Gupta, H. P. Saxena, Gopinath Srivastava, Mrs. Suniti Mitter, Sri Krishna and Prabhu were sentenced to suffer three months' rigorous imprisonment and to pay a fine of Rs. 200 each or in default to suffer one and a half months' additional imprisonment. Sm. Annapurna Devi was sentenced to one month's rigorous imprisonment and a fine of Rs. 200.

Omnibus Arrest of Congress Leaders in Calcutta:—Following the declaration of forty-five organisations as unlawful associations the Calcutta Police conducted extensive searches and made a large number of arrests in the city. About 60 places were searched which included the offices of the forty-five associations declared unlawful and about twenty arrests were made. The police seized office files and a large number of other documents, removed all moveable articles found in the offices of the organisations declared unlawful, placed them under lock and key and posted constables on guard at their gates. It was stated that two motor cycles were taken away in the course of the raid on the Simla Vyayam Samity. The arrests were made under the Emergency Powers Ordinance.

War on Congress all over the Country:—Ordinance rule officially began in Bombay with the publication of a Gazette Extraordinary applying the four Ordinances.—At Benares the police opened fire in dispersing the meeting held to protest against Mahatma's arrest.—At Delhi the Chief Commissioner declared unlawful the Provincial and District Congress Committees. The Police carried out numerous searches including the search of the Congress Office, the residence of Dr. Ansari and the Offices of the 'Tej' and 'Arjun,' vernacular dailies.—War on Congress organisations in the Punjab, U. P., N. W. F. and Bengal was in full swing and reports of arrests, raids and convictions of Congressmen poured in incessantly.

6th. Lathi Charge in Coimbatore:—A lathi charge was made by the Coimbatore Police on Congress volunteers who commenced picketing of foreign cloth shops in defiance of 144 order in which one volunteer was seriously injured. Crowds began to collect here and there and in dispersing the crowd, it was stated, several persons were injured. A few shop-keepers were also hit. A few individuals in the market were also hurt by the lathi charge.

*Police raid in Bombay : Leaders arrested :—*The Bombay Police commenced a big drive against those behind the Congress movement in the city. A number of simultaneous arrests were quickly made including Mr. Nagindas Master (Vice-President, B. P. C. C.) Mr. V. J. Patel, ex-President of the Assembly and Mr. K. F. Nariman, President of the local Congress Executive and member of the Working Committee. Batches of police moved swiftly from place to place according to the prearranged plan and took the leaders away in police automobiles as each was arrested. In addition to the arrests almost simultaneous arrests were made of : Mr. Narayan Deshpande, member B. P. C. C. and Dictator, Bhuleswar Ward Congress ; Mrs. Shantaben Venkarkar, member, B. P. C. C., Mr. S. K. Farulkar, Mr. T. R. Naravani, G. Ward Congress President, Mr. Motichand Kapadia, member B. P. C. C. and Municipal corporator, Mr. S. K. Patil, ex-Secretary, B. P. C. C., Mr. Jayant Dalal, Congress Bulletin Editor, Mr. D. S. Barbrakar, ex-Congress Dictator, Sardar Jamait Singh, leader, Bombay Sikh Association, Mrs. Avantika Bai Gokhale, ex-Dictator, Mr. Gunvant Kapadia, War Council member, Pandit Mukund Malaviya, son of Pandit Madan Mohan Malaviya, Syed Abdulla Brelvi, editor of "Bombay Chronicle." Mr. Dhurander, Assistant editor of "Navakal," a vernacular daily, Mr. K. K. Menon, member B. P. C. C., Mr. and Mrs. K. M. Munshi, Mr. Jamnadas Dwarkadas and Mrs. Captain.

*Complete Hartal in Bombay : Azad Maidan Meeting :—*Following the wholesale arrests, the city observed a complete Hartal. All the principal markets were closed, while schools and colleges were practically deserted. Desh Sevikas in orange colour 'saries' appeared in Fort and picketed several foreign cloth shops under the lead of Mrs. Kamaladevi Chattopadhyaya. After half an hour the picketing commenced, the shops closed their doors, and the pickets retired. Mrs. Kamaladevi, however, was arrested.—There was a huge meeting at the Azad Maidan in the evening. The meeting was convened to protest against the summary arrest in the city. Mr. Choksey addressed the meeting. A rumour got round that the police would interfere and break up the meeting, and a large crowd thronged the pavements opposite the Esplanade Police Station. But the meeting passed off without any interference.—Earlier in the day, the police took possession of the Congress House, pulled down the National Flag and hoisted the Union Jack in its place. The raid on the Congress House was followed by similar raids on the officers of the Youth League and the Naw Juwan Bharat Sabha and the Hindustani Seva Dal. The police seized books and records and locked the premises. At the Congress House, however, the police could not seize any articles of records as the office-bearers had previously taken good care to practically empty the premises of every bit of furniture and record.

7th. Arrests and Convictions :—In Karachi Mr. Naraindas Anandjee Bechar, Mr. Jairamdas Doulattram, Mr. Parsram Tahilramani, Secretary, Karachi Congress Committee, Dr. Tarachand Lalwani, Municipal Councillor, Swami Krishnanand, member All-India Congress Committee, Mr. R. K. Sidhva, Municipal Councillor, Mr. Maharaj Cakram, Mr. Narshinl and Moulvi Mahomed Sidik, member, All-India Congress Committee, were arrested.—Simultaneous arrests of prominent Congressmen were effected at Ahmedabad. Prominent among those arrested were Messrs. Mahadev Desai, Manilal Kothari, Kumarappa, Kalelkar and Raja Rao. All the arrested persons were removed to the Sabarmati jail.—Mr. Gangadhar Rao Deshpande, a prominent Karnatak leader, was arrested under Ordinance No. 2 of 1932. Mr. Babu Thakur, Editor of the "Tarun Bharat" was also arrested on the same day.—At Cochin Messrs. Sambamurthi, Satyanarayana, Raju and Bhat were sentenced to two years' R. I. for disobeying Section 144 order. Dr. B. Pattabhisitharamayya, Mr. M. Krishna Rao and Dr. V. D. Nageswara Rao were convicted under Sections 145 and 118, and sentenced to undergo 2 years' R. I. and Rs. 1,000 fine under Sec. 145 and 6 months' R. I. and a fine of Rs. 100 under the second count. Messrs. T. Prakasam, D. Narayanaraju, A. Govindachari, Majeti Narayana Rao, D. Krishnamurthi, B. Ranpasai, V. Suri Sastry, and U. Pattabhiramayya were sentenced to undergo seven months' rigorous and one month's simple imprisonment under Sections 145 and 188, I. P. C.

*Sir M. Shafi Dead :—*The Hon'ble Sir Mahomed Shafi, temporary Member of the Viceroy's Executive Council, died of pneumonia, at his residence in New Delhi. All offices of the Government in Delhi were closed for the day as a mark of respect to the memory of the illustrious deceased.

8th. Arrests And Convictions :—Dr. Ansari who succeeded Babu Rajendra Prasad as the Congress President, was arrested at his residence in New Delhi. He was sentenced to 6 months' S. I. and a fine of Rs. 200. Mrs. Rajpati Kaul, Mother-in-law of Pandit Jawaharlal Nehru, Arif Hasvi, local Congress "dictator" and Srimathi Durgadevi, Srimati Rampyari and Y. P. Varma, five prominent Congressites arrested while addressing a mass meeting in Queens Garden, New Delhi after the arrest of Dr. Ansari, were sentenced each to three months' simple imprisonment and a fine of Rs. 50 in default to suffer additional six weeks.—Mr. A. Vaidyanath Aiyar, the President of the District and Town Congress Committee in Madura, was sentenced under Section 143, I.P.C., to undergo rigorous imprisonment for 6 months and a fine of Rs. 100. Mr. Haji Mahomed, who succeeded Mr. Vaidyanath Aiyar as "dictator" was sentenced, for disobeying order under Sec. 144, to undergo 2 years' R.I. and to pay a fine of Rs. 200.—At Dharwar Mr. Hanumantha Rao Kauljali, member of the A. I. C. C. was arrested.

Congress organisation declared Illegal.—A Gazette Extraordinary issued by the Bombay Government declared 80 Congress organisations including various sub-committees of the City Provincial Congress Committee unlawful.

9th. Messrs. C. R. Chariar and Satyamurthi Sentenced :—Messrs. C. Rajagopalchariar and S. Satyamurthi were arrested while they were distributing Tamil leaflets entitled "The Satyagraha Fight." They were arrested under the Molestation and Boycotting Ordinance. Mr. Satyamurthi was sentenced, under Sec. 17 (2) of the Criminal Law Amendment Act, to one year R. I., and to 6 months' S. I. under Sec. 4 of Ordinance 5 of 1932. Mr. C. Rajagopalchariar was sentenced to undergo 6 months' simple imprisonment under Sec. 4 of Ordinance 5 of 1932.

*Lathi Charge on Picketers in Madras :—*Picketing of foreign cloth shops was carried on during the week by small batches of Congress volunteers. The police charged them with lathis and severely belaboured them. Crowds which were attracted by the picketing were dispersed by water hose and lathis.

10th Ordinance in Patiala :—His Highness the Maharaja of Patiala promulgated an Ordinance under which any society which helps the terrorists or terrorises or spreads sedition within the State would be declared unlawful.

*Lathi Charge at Periyakulam :—*A batch of volunteers who were picketing a toddy shop at Periyakulam were charged with lathis by the police. They were profusely bleeding and fell down unconscious. On the next day, another batch of volunteers, picketed the toddy shop. The police with lathis severely charged them. The injuries inflicted were more serious.

11th. Severe Lathi Charge at Tiruppur :—Messrs. B. S. Sundaram of the All-India Spinnery's Association, P. Nachimuthu Goundan, Dictator, O. K. S. R. Kumaraswami, Viswanatha Nair, Narayanaswami, Appukkutti Raman Nair, Subbarayan and Nochimuthu, the first batch of Congress volunteers attached to the Desabandhu Youth League, Tiruppur, marched in procession carrying national flags and singing national songs defying the prohibitory order. As they were nearing the police station on the main road, a number of police constables prevented their march. The volunteers stopped and as they refused to disperse, lathi charge was made and all volunteers fell down on the road, after receiving severe beatings. Kumaraswami, whose skull was said to have been fractured, did not regain consciousness and he succumbed on 12th January. The deceased had injuries on his legs and other parts as well.

*Lathi Charge at Karachi :—*About thirty men were injured as a result of a lathi charge on a public meeting which had been declared unlawful. The meeting followed a large procession which started from the Rambaug Recreation Ground and paraded the streets, returning to the starting place. Foot and mounted police came up to the scene with the District Magistrate who declared the meeting unlawful and gave it five minutes to disperse. On its refusal, twelve arrests were made including Mrs. Parbati Gidwani. The national flag was then pulled down and a cordon of policemen was placed round the women. The police next made a lathi charge and dispersed the crowd. The people who received injuries in the process were removed to Gandhi Hospital.

13th. "Swaraj Bhawan" occupied by Police :—The "Swaraj Bhawan", where the Allahabad Congress offices were located, being "notified," was taken possession of by the Police. The Congress flag was removed, and the Union Jack was hoisted on it. A guard was placed over the building.

Arrests and Convictions :—Mr. M. V. Abhyankar, President, and Seth Poonamchand, Secretary of the Nagpur Congress Committee, were convicted under Sections 117 of the Indian Penal Code and 17 (1) of the Criminal Law Amendment Act, to an aggregate term of three years' rigorous imprisonment.—Babu Rajendra Prasad and Mr. Krishna Ballabh Sahai sentenced to six months' rigorous imprisonment. Messrs. Jagat Narain and Prajapati Misir, Congress leaders of Bihar, were sentenced to five and a half months' rigorous imprisonment. Messrs. Braj Kishore and Mathura Prasad were sentenced to five months' rigorous imprisonment. Acharya Harihardas, "Dictator" of the Utkal Congress Committee and seventeen others sentenced to two years' rigorous imprisonment each for attending a Congress meeting which had been declared unlawful.

Police occupy Congress House :—The Congress House at Royapettah, Madras where the All-India Swadeshi Exhibition was being held was occupied by the Police to-day as a result of the Gazette Extraordinary issued by the Local Government late on the previous evening, declaring the "Congress House" to be a building used for unlawful purposes. That notification empowered the Chief Presidency Magistrate to take possession of the building and materials therein. The Magistrate and the Police took possession of office records, the cash chest and the cheque book and made an inventory of all the articles found there.

14th. "Navajivan" Office Locked-up :—Following the arrest of Mr. Mohanlal Bhatt, editor, printer and publisher of the "Navajivan" and the "Navjivan" press, the police were posted at the entrance and the officers asked the clerical and press establishment to clear out, which they did. The police then sealed the press and the office-buildings, under an order issued by the District Magistrate, after which guards were posted.

Associations Banned in Bengal :—272 associations, comprising Congress Committees and other allied organisations in several districts in Bengal were declared unlawful under section 16 of the Indian Criminal Law Amendment Act of 1908. Twenty-three associations were declared unlawful in the district of Nadia, 8 in Tippera district, 11 in Bogra district, 11 in Howrah district, 22 in Dacca district, 8 in Burdwan district, 100 in Midnapore district, 25 in 24 Parganas, 18 in Faridpore district, 37 in Mymensingh district and 9 in Rajshahi district. Fifteen persons were arrested in Calcutta for leading a procession, picketing foreign cloth shops in Burrabazar, holding a meeting in College Square and distributing unauthorised leaflets.

Lathi Charge in Bombay :—Repeated lathi charges were resorted to by the police in dispersing a good number of processions and public meetings held in Bombay in the evening, in defiance of the Chief Presidency Magistrate's order prohibiting Congress demonstrations in the city. In many cases, the police only brandished their lathies and chased away crowds who scattered and ran helter skelter. This helped to keep down the total casualties to 30 injured. For nearly four hours, the police were kept busy chasing the crowds, arresting men, and capturing national flags. The day's events culminated in over 55 arrests at various places. The arrests included old men, youths and boys who defiantly waved national flags and offered themselves for arrest. In many cases they refused to part with their flags, until they were pinned to the ground and the flag snatched away by the police.

15th. Arrests and Convictions :—Mrs. Kasturibai Gandhi, Miss Maniben Patel, Miss Mithuben, Mr. Iswarlal Amin, Dictator, Bardoli, and four others were convicted at Surat, under Section 17 (1) of the Criminal Law Amendment Act. Mrs. Gandhi was sentenced to six weeks' simple imprisonment, and directed to be placed in Class "A". Miss Maniben Patel, Miss Mithuben and two other women were sentenced to 3½ months' rigorous imprisonment, and to pay a fine of Rs. 100.

Mr. K. Nageswara Rao Sentenced—Mr. K. Nageswara Rao was arrested at George Town, Madras while he was distributing boycott leaflets. He was sentenced, on the next day, under Sec. 4 of Ordinance 5 of 1932, to undergo simple imprisonment for six months and to pay a fine of Rs. 250.

Thirty Students arrested in Calcutta: Girl leads Procession :—Miss Amita Dutt a student of the 5th year Economics class of the Calcutta University College, was arrested along with twenty nine other students including Miss Biva Dutt, a school student, in the Cornwallis Street near the Bethune College for leading a procession in contravention of the Police Commissioner's order. The procession started shortly after mid-day from the University compound. The processionists had in their hands National Flags and posters with mottoes inscribed on them and were raising shouts of 'Bandemataram.' Passing along Mirzapur Street and Harrison Road the procession stopped at the gate of the Ripon College. It next proceeded to the gate of the Bangabashi College and then marched along Amherst Street, and stopped at the gate of the St. Paul's College. The procession resumed its march along Amherst Street, Mechubazar Street, Jhamapukur Lane, Bichu Chatterjee's Street, Cornwallis Street and stopped at the gate of the Vidyasagar College. From the Vidyasagar College it passed along Cornwallis Street and stopped at the gate of the Scottish Churches College. After having stopped for some time at the gate of the Scottish Churches College amidst shouts of 'Bandemataram' the procession passed along Beadon Street, turned into Cornwallis Street and near the Bethune College its march was stopped by a police cordon. Miss Amita Dutt and twenty-nine others were placed under arrest and taken to the police station.

16th. Arrests and Convictions :—The arrest of Seth Jammalal Bajaj, Treasurer and member of the Congress Working Committee, was effected at Birla Mansion, in Bombay, where Pandit Madan Mohan Malaviya was residing. The police visited his house earlier in the day. Seth Jammalal on hearing that they were enquiring for him, went to Pandit Malaviya's residence and offered himself to the police for arrest.—Dr. Hardikar and Miss Sofia Somji were arrested by Bombay Police under Ordinance No. 2 of 1932.—Mr. Mohanlal Bhatt, Editor, Printer and Publisher of "The Navjivan", was arrested under Section 17 (1) of the Criminal Law Amendment Act, and sentenced to six months' rigorous imprisonment, and a fine of Rs. 100.

18th. Arrests and Convictions :—Professor Bijoy Krishna Bhattacharya, ex-Vice-Chairman, Howrah Municipality, was sentenced to undergo one year's rigorous imprisonment for violation of the Magistrate's order and another year for assisting in the management of an unlawful Association, namely, the Bengal Congress Committee, the sentences to run consecutively.—Mr. S. A. Brelvi, Editor of the "Bombay Chronicle", who was released on parole on 15th January, surrendered to the police to-day. Soon after he was placed before the Third Presidency Magistrate, Bombay, on a charge of disobeying the Police Commissioner's order under Section 4 of the Emergency powers Ordinance, directing him to report himself daily to the Police. The Magistrate found Mr. Brelvi guilty under Section 21 and sentenced him two years' rigorous imprisonment.—The Lahore police arrested Dr. Satyapal, Congress leader, and Mr. Jagatnarain, keeper of the "Brijanand Press", while watching picketing. They also arrested Dr. Gopichand and Mr. Harimohan Chatterjee, Congress workers, under Section 17 (1) of the Criminal Law Amendment Act.—At Allahabad Mrs. Uma Nehru and some others were charged under Section 12 of the Emergency Powers Ordinance. The trial was held in the District Jail. The accused refused to participate in the proceedings. She was sentenced to six months' rigorous imprisonment under Section 12 of the Ordinance and a further period of six months under Section 188, I. P. C., both the sentences to run concurrently.—In Madras Mrs. Ambujammal, daughter of Mr. S. Srinivasa Iyengar, Mrs. Janammal, daughter of late Sir V. Bhashyam Iyengar, and Mrs. Kamala Bai who were arrested on 18th. January in Rattan Bazaar Road while picketing foreign cloth shops were tried. They were charged under Section 3 (B) of Ordinance 5 (Molestation) of 1932. Mrs. Ambujammal and Mrs. Janammal were sentenced to undergo simple imprisonment for six months each and to pay a fine of Rs. 80 each, in default to further imprisonment for one week. Mrs. Kamala Bai was sentenced to six months' simple imprisonment.

Ordinance Regime in Bombay :—Mass arrests and summary convictions of Congress workers continued to be a feature of Ordinance regime in Bombay. The total number of arrests for the day was nearly 50 while convictions exceeded the figures of 40. A lathi charge was resorted to by the Mahim police to disperse a Congress meeting held on Tilak Maidan, Dadar. Mrs. Shantabar Vengarkar who was let off from the Byculla Jail and then served with a Police order, and Mrs. Annapurnabai Bokre were arrested while addressing the meeting. A volunteer named Vithal Keshav who was carrying a national flag was also apprehended. Prior to the meeting about 100 soldiers passed along the Tilak Bridge in lorries carrying three machine guns which created a sensation in the locality and drew large crowds.

19th. Arrests and Convictions :—Sixteen persons were arrested in Calcutta—eleven for bringing out a procession in Burrabazar, four for distributing unauthorised leaflets and one for selling contraband salt. About thirty pickets assembled near the Howrah Hat, but before they could commence work they were dispersed by the police. Four persons were arrested in Jujersa (Howrah) in connection with the picketing of foreign cloth and 'ganja' shop. Six Ladies including Sjkts. Nirharini Sarkar and Bechu Ben arrested for bringing out a procession in defiance of Police Commissioner's orders were sentenced to six months' S. I. Miss Kalyani Das was convicted for attempting to hold a meeting in contravention of police notification.

20th. Sj. J. M. Sen Gupta arrested :—Sj. J. M. Sen Gupta was arrested under Regulation III of 1818 this morning as soon as he landed from the steamer on return from his European tour and was taken to Yervada Jail. It may be recalled that on medical advice Sj. Sen-Gupta left Calcutta for Bombay en route to Europe on October 16 last. In view of arrests in India he cut short his stay abroad and hurried home with Sjta. Nellie Sen-Gupta. The arrest was effected under the orders of the Bengal Government and Mr. Sen Gupta was sent to Yerawada prison from which place he was subsequently transferred to Darjeeling. The cause of the arrest, stated a British official wireless message, was that Mr. Sen Gupta as an agitator attained some notoriety and had frequently been sentenced in the past for sedition, and openly advocated a fresh struggle.

Mr. Raja Rao Sentenced :—Mr. Raja Rao, Secretary, All-India Congress Committee, was tried and sentenced to six months rigorous imprisonment and to pay a fine of Rs. 100 for failing to report himself to the police after his release on parole on the 18th January.

21st. Arrests and Convictions in Calcutta :—Nineteen persons were arrested in Calcutta in connection with a meeting in College square, processions in Belliaghata and along Harrison Road and picketing before a bank. Miss Amita Dutt, a fifth year student of the Calcutta University, was convicted along with 20 others and sentenced to undergo three months' rigorous imprisonment each for proceeding along in a procession in Cornwallis street on January 15 in contravention of the police ban. Sj. Krishnadas and ten others were sentenced to six months' rigorous imprisonment on a charge of leading a procession in Burrabazar and being members of an unlawful association. Restraint orders under the Emergency Powers Ordinance were served on nine persons including Miss Jyotirmoyee Ganguli and Sj. Kshetramohan Modak, Proprietor of the 'East Bengal Society', prohibiting him from closing the shop or its branches in connection with 'hartal' etc.—At Allahabad Pandit Mohanlal Nehru, who was arrested in connection with a procession at Katra, was sentenced to one month's rigorous imprisonment and to pay a fine of Rs. 100.

22nd. Twenty-seven persons were arrested in Calcutta in connection with meetings, processions and distribution of unauthorised leaflets. Of the arrested persons, eleven students were arrested for leading a procession in the streets of Central Calcutta, for distributing unauthorised leaflets in Burrabazar and twelve for holding meetings at Mysore Park (Kalighat), Kali Temple Park and Manshatolla Park (Kidderpore). Fifteen persons, including three ladies, were convicted and sentenced to various terms of imprisonment in connection with the picketing of a bank, holding meetings and distribution of unauthorised leaflets.

23rd. Lathi charge at Coomilla:—Mr. Akhil Chandra Dutta ex-M.L.C., and ex-Leader of the Bengal Provincial Congress and Mrs. Dutt were arrested under the Emergency Powers Ordinance.—Mr. Asrafuddin Chowdhury ex-M.L.C. and ex-Chairman of Tipperah District Board was arrested for violating the restraint order by leading a procession in the town. The police dispersed the procession by a lathi charge in which several received injuries and made eleven arrests.

25th. Lathi charge at Peddapuram:—There was a lathi charge at Peddapuram when about a dozen people were beaten by the police for having received, it was alleged, some leaflets distributed by Messrs. H. Veerabhadra Rao and Garimella Subba Rao, urging the people to boycott foreign goods and take to Swadeshi and give up drink. The two persons who distributed the leaflets, the ex-Secretary of the Congress Committee and the "Dictator" respectively, were later on arrested and taken to the police station.

The Viceroy's Speech in the Assembly.—"There can be no compromise in the matter of resisting the Civil Disobedience Movement," declared His Excellency Lord Willingdon in his inaugural address to the Legislative Assembly. His Excellency, after a comprehensive review of the agricultural, economic and financial situation in India, said: "I am conscious of no deviation, by myself or by my Government, from the path of conciliation until the Congress had themselves wantonly torn up the path. No Government worth the name could hesitate to accept the challenge. While the Government will take all the requisite steps to guard against any abuse of special powers, there can be no relaxation of the measures now in force against Civil Disobedience, as long as circumstances exist which make them necessary."

26th. Arrests on "Independence Day":—In Delhi two Congress processions were taken out, but the processionists were surrounded by the police, and arrested. The total number arrested were 103 of which 26 were later released. Among the arrested were Mr. Faridul Haq Ansari and Mr. Chamanlal, Reporter of the "Hindustan Times."—In Bombay, Mrs. Jhaverbai Jamnadas Dwarkadas, President of the Seventh "Emergency Council" and several other Congress workers were arrested, when the Congressites organised processions in connection with the "Independence Day". A Congressite procession which proceeded to Girgaum was dispersed. The total number arrested on that day was 75.—In celebrating the "Independence Day" in Ahmedabad the Congressites started in a procession. The police arrested the women and dispersed the men. Two or three men who refused to disperse were arrested but later all were released. Kanuga, who refused to allow the police to pull down the national flag flying on his dispensary was arrested.—In Karachi three "Dictators" were arrested, when they read the "Independence pledge" at a public meeting.—Six persons were arrested in Lucknow, in connection with the celebration of the "Independence Day."—In Calcutta processions, attempts at holding meetings, and distribution of unauthorised leaflets culminated in more than 150 arrests. Twenty-one ladies, one of them a Moslem, were among those arrested. Twenty-eight persons including two ladies were arrested in Howrah of whom fifteen were arrested in the afternoon for conducting processions and attempting to hold meetings. Thirty-one arrests were made in Serampore in connection with the hoisting of the National Flag. A Municipal Commissioner of Howrah and 12 others were arrested for picketing and trying to hold a meeting in Sibpore. Seven arrests were made at Bally. One boy was reported to have sustained serious injuries when the police dispersed a procession by making a lathi charge near the crossing of Lansdowne Road and Ramesh Mitra Road. Tri-coloured National Flags were hoisted on many shops, residential quarters and students' hostels in different parts of the city, and were, in some cases, taken down by the police.—In Bombay midnight demonstrations at Girgaum Back Road took a serious turn when the police opened fire on the crowd. It was stated that the riff-raff elements threw stones at the Mharbavdi police station. Ten armed police came out and were ordered to open fire. Two shots were fired at the crowds and none was injured. The locality was seething with excitement. At about 1-30 a. m. an attempt was made to set fire to a police cabin at C. P. Tank. Some hay was put and it was lighted; but the timely arrival of the fire brigade saved the situation. At 2 a. m. a severe lathi charge was made at C. P. Tank. There were a number of

persons injured and they were removed to the hospital. The "Independence Day" was celebrated on a nation-wide scale throughout the country and arrests were made on a large scale. Calcutta lead with 200 arrests including 13 women, and more arrests took place in Howrah, Serampore, Madaripur and Rajshahi. Total arrests in Delhi numbered 103, including 5 under-age girls who were subsequently released. Police broke up a procession in Cawnpore by resorting to lathi charge and in all 18 persons were arrested. In Bombay City the arrest reached the record figure of 100 and arrests also took place in the suburbs and mofussil districts like Surat, Belgaum and Ahmedabad.

27th. Sentence in Stevens Murder case :—Sunity Chowdhury and Santi Ghosh were sentenced to transportation for life in connection with the murder of the District Magistrate, Mr. C. G. B. Stevens at Comilla on December 14.

28th. Sir Samuel Hoare's Apologia :—"Though dogs bark, caravan passes on" : these words concluded a talk which Sir Samuel Hoare broadcasted taking stock of the situation in India. Sir Samuel Hoare was glad to find that Lord Irwin's cautious, sympathetic and impartial mind had reached the same conclusions as Lord Willingdon and himself. He emphasised that everybody had an equal opportunity of judging the facts, as no censorship had been imposed on responsible foreign correspondents. In his peroration Sir Samuel Hoare emphasised : "Our policy is simple, straightforward and sympathetic. It is a policy of progress combined with firmness."

29th. Police firing in Bombay :—The Congress observance of the "Frontier Day" in Bombay culminated in the largest casualties since the renewal of the Civil Disobedience Movement, including one killed and 21 wounded by revolver and rifle-shots and nearly 200 injured as a result of repeated lathi charges by the police.

30th. Death of Ex-Maharaja of Cochin :—His Highness Sir Sri Rama Varma, the abdicated Maharaja of Cochin, expired at the "Merry Lodge," Trichur. He was eighty years old. The funeral was performed the next morning in orthodox style in the Palace compound, and well attended by officials and non-officials of all castes and creeds. All public offices, courts and schools in the Cochin State were closed for three days as a mark of respects to the memory of the late Highness.

FEBRUARY 1932.

1st. Congress Office raided in Lahore : A police party, raided the offices of the District Congress Committee, Seva Dal, the Gandhi Ashram, the Azad Sabha and the Bal Bharat Sabha Camp, in Lahore. After a thorough search, they seized every thing found therein. Utensils and provisions were seized from the Bal Bharat which was running a free "langar" outside the Mori Gate.

2nd. Arrests and convictions :—Dr. Mahomed Alam, the first "Dictator" of the Punjab Congress Committee, was charged before Additional District Magistrate, Lahore, to stand his trial under Section 124-A, on a charge of delivering seditious speeches at a Congress meeting.—Mr. Devidas Gandhi, son of Mr. Gandhi, was arrested at the Railway Station, New Delhi, while he was going to the Frontier.—Mr. Hariprasad Mehta and Professor J. Kumarappa, were arrested for breach of parole, were tried and sentenced respectively to one year's rigorous imprisonment, and a fine of Rs. 2,000.—Charged with having incited the Bangalore Cantonment public to disobey the prohibitory orders, Swami Govindanandam of Madras was tried and sentenced by the District Magistrate, Bangalore Cantonment, to two years' rigorous imprisonment and a fine of Rs. 200.

3rd. Lahore Ladies Sentenced :—Eight women, including Mrs. Hariram, daughter-in-law of Sir Gangaram, Mrs. Sahni, the mother of Mr. Devraj and Srimati Gyandevi, wife of Mr. Jung Bahadur, were sentenced in Lahore to four months'

imprisonment and a fine of Rs. 50, in default to 15 days' additional imprisonment, for leading a Congress procession which was declared unlawful. Srimathi Pushpa Devi daughter of Sir Gangaram, was fined Rs. 100, or in default, sentenced to one month's rigorous imprisonment for the same offence.

4th. Arrests and Convictions :—Mr. Sarat Bose, brother of Mr. Subash Chandra Bose was arrested in Calcutta and taken to the Seoni Jail where Mr. Subash Bose had been lodged. Prior to his arrest, Mr. Sarat Bose's house was searched by the police and papers and cheque books were seized.—Mr. Mahadev Desai, Secretary to Mr. Gandhi, who was released on parole on the 3rd was rearrested for a breach of parole.—He was sentenced on the 5th to 18 months' R. I. and a fine of Rs. 200.—Twelve volunteers were arrested in Benares for participating in the "Gandhi Day" celebrations.—In Allahabad a meeting was held, in the Purushottamdas Park by the Congress. The Police arrested many persons.—In Ahmedabad 180 persons were arrested including 50 ladies. Among the latter were Sharda Behu Mehta, Smti. Nirmala, sister of Seth Ambalal Sarabhai, and Smti Indumati Sheth.

6th. Bengal Governor shot at :—While addressing the annual Convocation of the Calcutta University His Excellency Sir Stanley Jackson, Governor of Bengal, was fired at five times, but was unhurt. A girl student named Bina Das of the Diocesan College was arrested immediately on the spot with a revolver. His Excellency the Governor then resumed his address, and dissolved the Convocation. Dr. Dinesh Chandra Sen, Professor of Bengali Literature was slightly injured. Bina Das is the daughter of Benimadhab Das, retired headmaster of the Government Sanskrit College School, Calcutta, and sister of the well-known Congress worker, Kalyani Das, a graduate of the Calcutta University, now serving nine months' imprisonment under the recent Ordinances. Bina Das belonged to Chittagong. She was a B. A. degree-holder and was in the usual convocation gown. On a search of her room in the Diocesan College hostel, five live cartridges, to fit the five-chambered revolver with which the girl was arrested, were discovered.

7th. Escape from Midnapore Jail :—A daring jail-escape was made from Midnapore Jail, by three long-term prisoners comprising of Dinesh Chandra Majumdar, sentenced to transportation for life for the bomb outrage on Sir Charles Tegart, one connected with the Mechuabazar Bomb Case and the third connected in a mail robbery case. The escape was discovered next morning after the prisoners had several hours' start. None of them were rearrested. Four detenus also escaped from Hijli Special Jail.

8th. Mid-night Police Raid in Bombay :—Police officials, who had been keeping a strict watch on the movements of certain persons, made a surprise raid on the "Ratan House" Girgaum, at about midnight when four persons from Karnatak—all members of the Hindustani Seva Dal—were seen, carrying on deliberations. All the four were put under arrest, and a thorough search of the place, lasting for over three hours, was made. As a result of the search, a lot of papers, literature and other documents were seized.

Lathi Charge at Yellamanchili :—While a batch of volunteers were distributing boycott leaflets at Yellamanchili a posse of police armed with lathis proceeded to the place and charged them with lathis. Three of the volunteers received severe injuries all over the body. The three severely injured volunteers were arrested and taken to the hospital for treatment.

9th. Congress Flag Removed from Poona Municipal Office :—The Congress flag flying on the city Municipal offices in Vishrambag Palace, Poona, was removed. It was understood that the Collector of Poona issued an order, under the Ordinance, directing the President to remove the flag.

12th. Publication of Assembly reports : Ordinance no bar :—Mr. C. S. Ranga Aiyar raised a question in the Assembly, as to whether the privilege enjoyed by newspapers in England, in respect of publication of reports of Parliament debates, had been secured to newspapers in India, under the present Ordinances. Mr. Ranga Aiyar raised the issue by seeking leave for an adjournment motion in

connection with the statement, made by the Home Member, that while freedom of speech was secured to members of the Assembly under the Government of India Act, the publication of speeches was liable to be determined by the ordinary law, including the Press Act of 1931 and the provisions of the Ordinances. The President referred the point to the Law Member who gave the following opinion: "In my opinion the Ordinances have made no change in the ordinary law of the land in the matter of publication in the public press, or otherwise, of the proceedings of the Legislature." On receiving this assurance, the matter was dropped.

13th. Police Firing in Hasanabad:—Two were killed and thirty injured, consequent on the Police opening fire at Hasanabad within the Laksam police station area. It appeared that despite the indifference of the local people, over 1,000 men from Noakhali insisted on holding a meeting and leading a procession defying the police orders. In the melee that ensued a Sub-Inspector and six constables were injured. The members of the crowd having pelted the police with stones, fire was opened with the above result.

15th. Mob attack on Tarapur Police Station:—An official report from the District Magistrate of Monghyr stated that a concerted attack was made on the Tarapur Police Station and on himself, his servants and the Superintendent of Police. The District Magistrate himself, his servants, the Superintendent of Police and twenty-four police were slightly injured. The police opened fire.—In reply to a question put by Mr. Sachchidananda Singh in the Bihar Council on the 18th, the Chief Secretary said that on the afternoon of February 15 six volunteers, carrying flags tried to enter the thana compound supported by a mob of 4,000. The men, he stated, paid no heed to repeated warnings and a preliminary lathi charge led by the Superintendent of Police failed to create any effect. The District Magistrate then fired two rounds with his pistol followed by 78 rounds from the constables which occupied about ten minutes. The total casualties were eight killed and five injured. Two of those killed were "prominent Congress workers of the locality."

Judgment in Convocation Shooting case:—The Special Tribunal composed of Justices C. C. Ghose (President), M. N. Mukerji and M. C. Ghosh, at the High Court to-day sentenced Bina Das to nine years' rigorous imprisonment for making an attempt on the life of the Governor of Bengal on February 6, while he was addressing the University Convocation. The girl, who was allowed a seat, received the sentence calmly. On the question of sentence the Tribunal held that assessment of this at this time and in cases of this description was a difficult matter but they were bound to take into consideration the fact that the accused had pleaded "guilty". The accused, they remarked, apparently bore up to date and exemplary character, but at the same time it would be mere waste of words if they expatiated at length on the seriousness of the crime committed by her. She was apparently between 20 and 21 and at the threshold of life. Defence Counsel had also drawn their attention to certain other matters. Taking all these into consideration the Tribunal thought it fit to award the above sentence. It was recommended that the accused should be placed in Class "B" of prisoners.—Pleading "guilty" Bina Das read out a written statement as follows: "I fired at the Governor, impelled by my love of country, which is being repressed. I thought that the only way to death was by offering myself at the feet of my country, and thus make an end of all my sufferings. I invite the attention of all to the situation created by the measures of the Government which can unsex even a frail woman like myself, brought up in all the best traditions of Indian womanhood. I can assure all that I have no sort of personal feeling against Sir Stanley Jackson, the man, who is just as good as my father, and the Hon. Lady Jackson, who is just as good as my mother. But the Governor of Bengal represents a system which has kept enslaved 300 millions of my countrymen and country women....."

19th. Mr. Morarji Desai sentenced:—Mr. Morarji Desai, who resigned his post as Deputy Collector during the last Civil Disobedience movement, and became Secretary of the Gujarat Congress Committee, was tried and sentenced for breach of "parole" to 18th months' rigorous imprisonment and Rs. 300 fine.

imprisonment and a fine of Rs. 50, in default to 15 days' additional imprisonment, for leading a Congress procession which was declared unlawful. Srimathi Pushpa Devi daughter of Sir Gangaram, was fined Rs. 100, or in default, sentenced to one month's rigorous imprisonment for the same offence.

- 4th. Arrests and Convictions :—**Mr. Sarat Bose, brother of Mr. Subash Chandra Bose was arrested in Calcutta and taken to the Seoni Jail where Mr. Subash Bose had been lodged. Prior to his arrest, Mr. Sarat Bose's house was searched by the police and papers and cheque books were seized.—Mr. Mahadev Desai, Secretary to Mr. Gandhi, who was released on parole on the 3rd was rearrested for a breach of parole.—He was sentenced on the 5th to 18 months' R. I. and a fine of Rs. 200.—Twelve volunteers were arrested in Benares for participating in the "Gandhi Day" celebrations.—In Allahabad a meeting was held, in the Purushottamdas Park by the Congress. The Police arrested many persons.—In Ahmedabad 180 persons were arrested including 50 ladies. Among the latter were Sharda Behen Mehta, Smti. Nirmala, sister of Seth Ambalal Sarabhai, and Smti Indumati Sheth.
- 6th. Bengal Governor shot at :—**While addressing the annual Convocation of the Calcutta University His Excellency Sir Stanley Jackson, Governor of Bengal, was fired at five times, but was unharmed. A girl student named Bina Das of the Diocesan College was arrested immediately on the spot with a revolver. His Excellency the Governor then resumed his address, and dissolved the Convocation. Dr. Dinesh Chandra Sen, Professor of Bengali Literature was slightly injured. Bina Das is the daughter of Benimadhab Das, retired headmaster of the Government Sanskrit College School, Calcutta, and sister of the well-known Congress worker, Kalyani Das, a graduate of the Calcutta University, now serving nine months' imprisonment under the recent Ordinances. Bina Das belonged to Chittagong. She was a B. A. degree-holder and was in the usual convocation gown. On a search of her room in the Diocesan College hostel, five live cartridges, to fit the five-chambered revolver with which the girl was arrested, were discovered.
- 7th. Escape from Midnapore Jail :—**A daring jail-escape was made from Midnapore Jail, by three long-term prisoners comprising of Dinesh Chandra Majumdar, sentenced to transportation for life for the bomb outrage on Sir Charles Tegart, one connected with the Mechuabazar Bomb Case and the third connected in a mail robbery case. The escape was discovered next morning after the prisoners had several hours' start. None of them were rearrested. Four detenus also escaped from Hijli Special Jail.
- 8th. Mid-night Police Raid in Bombay :—**Police officials, who had been keeping a strict watch on the movements of certain persons, made a surprise raid on the "Ratan House" Girgaum, at about midnight when four persons from Karnatak—all members of the Hindustani Seva Dal—were seen, carrying on deliberations. All the four were put under arrest, and a thorough search of the place, lasting for over three hours, was made. As a result of the search, a lot of papers, literature and other documents were seized.
- Lathi Charge at Yellamanchili :—**While a batch of volunteers were distributing boycott leaflets at Yellamanchili a posse of police armed with lathis proceeded to the place and charged them with lathis. Three of the volunteers received severe injuries all over the body. The three severely injured volunteers were arrested and taken to the hospital for treatment.
- 9th. Congress Flag Removed from Poona Municipal Office :—**The Congress flag flying on the city Municipal offices in Vishrambag Palace, Poona, was removed. It was understood that the Collector of Poona issued an order, under the Ordinance, directing the President to remove the flag.
- 12th. Publication of Assembly reports : Ordinance no bar :—**Mr. C. S. Ranga Aiyar raised a question in the Assembly, as to whether the privilege enjoyed by newspapers in England, in respect of publication of reports of Parliament debates, had been secured to newspapers in India, under the present Ordinances. Mr. Ranga Aiyar raised the issue by seeking leave for an adjournment motion in

connection with the statement, made by the Home Member, that while freedom of speech was secured to members of the Assembly under the Government of India Act, the publication of speeches was liable to be determined by the ordinary law, including the Press Act of 1931 and the provisions of the Ordinances. The President referred the point to the Law Member who gave the following opinion : "In my opinion the Ordinances have made no change in the ordinary law of the land in the matter of publication in the public press, or otherwise, of the proceedings of the Legislature." On receiving this assurance, the matter was dropped.

13th. Police Firing in Hasanabad ;—Two were killed and thirty injured, consequent on the Police opening fire at Hasanabad within the Laksam police station area. It appeared that despite the indifference of the local people, over 1,000 men from Noakhali insisted on holding a meeting and leading a procession defying the police orders. In the melee that ensued a Sub-Inspector and six constables were injured. The members of the crowd having pelted the police with stones, fire was opened with the above result.

15th. Mob attack on Tarapur Police Station ;—An official report from the District Magistrate of Monghyr stated that a concerted attack was made on the Tarapur Police Station and on himself, his servants and the Superintendent of Police. The District Magistrate himself, his servants, the Superintendent of Police and twenty-four police were slightly injured. The police opened fire.—In reply to a question put by Mr. Sachchidananda Singh in the Bihar Council on the 18th, the Chief Secretary said that on the afternoon of February 15 six volunteers, carrying flags tried to enter the thana compound supported by a mob of 4,000. The men, he stated, paid no heed to repeated warnings and a preliminary lathi charge led by the Superintendent of Police failed to create any effect. The District Magistrate then fired two rounds with his pistol followed by 78 rounds from the constables which occupied about ten minutes. The total casualties were eight killed and five injured. Two of those killed were "prominent Congress workers of the locality."

Judgment in Convocation Shooting case ;—The Special Tribunal composed of Justices C. C. Ghose (President), M. N. Mukerji and M. C. Ghosh, at the High Court to-day sentenced Bina Das to nine years' rigorous imprisonment for making an attempt on the life of the Governor of Bengal on February 6, while he was addressing the University Convocation. The girl, who was allowed a seat, received the sentence calmly. On the question of sentence the Tribunal held that assessment of this at this time and in cases of this description was a difficult matter but they were bound to take into consideration the fact that the accused had pleaded "guilty". The accused, they remarked, apparently bore up to date and exemplary character, but at the same time it would be mere waste of words if they expiated at length on the seriousness of the crime committed by her. She was apparently between 20 and 21 and at the threshold of life. Defence Counsel had also drawn their attention to certain other matters. Taking all these into consideration the Tribunal thought it fit to award the above sentence. It was recommended that the accused should be placed in Class "B" of prisoners. —Pleading "guilty" Bina Das read out a written statement as follows: "I fired at the Governor, impelled by my love of country, which is being repressed. I thought that the only way to death was by offering myself at the feet of my country, and thus make an end of all my sufferings. I invite the attention of all to the situation created by the measures of the Government which can unsex even a frail woman like myself, brought up in all the best traditions of Indian womanhood. I can assure all that I have no sort of personal feeling against Sir Stanley Jackson, the man, who is just as good as my father, and the Hon. Lady Jackson, who is just as good as my mother. But the Governor of Bengal represents a system which has kept enslaved 300 millions of my countrymen and country women....."

19th. Mr. Morarji Desai sentenced ;—Mr. Morarji Desai, who resigned his post as Deputy Collector during the last Civil Disobedience movement, and became Secretary of the Gujarat Congress Committee, was tried and sentenced for breach of "parole" to 18th months' rigorous imprisonment and Rs. 300 fine.

20th. Mr. M. Tricumji sentenced :—Mr. Mathurdas Tricumji who was released on "parole" on 18th February, was rearrested, and immediately placed before the Chief Presidency Magistrate, Bombay, who sentenced him to one year's rigorous imprisonment and a fine of Rs. 100.

*Convictions in Lahore :—*Mr. Valdev Miter Kaviraj, 19th "Dictator," Punjab Congress Committee was sentenced to one year's imprisonment. Srimati Pritamdevi, a prominent Congress worker was arrested under Section 108 and ordered to furnish two securities amounting to Rs. 1,000 or undergo one year's imprisonment. She preferred jail. Five Red Shirts and two local Congress volunteers were arrested for picketing foreign cloth shops and were sentenced to four months' imprisonment and fine.

21st. Congress Day Demonstration in Bombay :—Reports which were mistaken for revolver shots created a panic among a huge crowd of demonstrators assembled on the Azad Maidan to observe the "Puri Congress Day." A party of Police chased a crowd towards Dhobi Talao and following this a report was heard and it was believed for some time that the police might have opened fire. This had the result of creating a panic and people ran in all directions. The Superintendent of Police on hearing the report sent for armed police who rushed into the Maidan. On making inquiries, however, it was learnt that the sound was caused by the banging of the lathis on the tin boxes belonging to the hawkers, placed at the Dhobi Talao end of the Maidan. The scenes on the Maidan were preceded by a number of lathi-charges on a Congress procession on the Babu Genu Road in which over 80 persons received injuries.

22nd. The Consultative Committee's Discussion :—The Consultative Committee of the Round Table Conference, sat at the Viceroy's House, New Delhi, from 22nd February to 27th. It agreed to the suggestion that His Majesty's Government should, at an early date, announce a decision on the communal problem. The Committee then discussed the question of Fundamental Rights, and accepted the suggestion of Sir T. B. Sapru that a statement of Fundamental Rights should be formulated in the constitution, subject to the safeguarding of the internal sovereignty of the States. The Committee agreed to the view that property rights should be safeguarded and the State precluded from sequestration, otherwise than for public purposes and on adequate compensation. The Committee next considered the suggestions contained in Article 4 of the Nehru Recommendations. The Committee unanimously agreed to a provision for freedom of religious rites and usages, subject to public order and morality. Guarantees of liberty and the integrity of home and property, save in accordance with the law, and of the right of free expression of opinion, of peaceful assembly, when not opposed to public order or morality, were agreed to. Equality of civic right of citizens to carry arms, and the view of the Committee was all citizens should have the right, subject to regulations not based on any discrimination of race or creed. Equality of rights for both sexes was accepted, the Muslim members dissenting. The Committee accepted the claim of the Depressed Classes that any custom or usage whereby any disadvantage or disability is imposed upon or any discrimination made against any citizens in respect of the enjoyment of civic rights, should be declared illegal. Mr. Benthall, on behalf of Europeans, wanted that it should be made clear that the effect of the limitation of Fundamental Rights to "citizens" was that the rights claimed by his community would not be expressed "fundamental rights" but as the rights of European British subjects. The Committee reaffirmed the principle laid down at the R. T. C. that the existing rights of Europeans in India, in regard to criminal trials should be maintained.

24th. Bengal Criminal Law Amendment Act passed :—On the motion of Hon. Mr. W. D. R. Prentice, Home Member, the Bengal Legislative Council passed the Bengal Criminal Law Amendment Bill 1932, by 49 votes to 18 votes. The Bill incorporated substantially the provisions of the Criminal Law Amendment Act to meet the terrorist menace. The Oppositionists included 7 Muslims. Moving the passage of the Bill, the Home Member assured the Council that if the terrorist menace disappeared then the Act would be allowed to die of inanition and would not be used for any other purpose than that for which it was intended.

25th. Arrests and Convictions in Gujarat :—Mr. Somabhai Patel, tenth “dictator” of the Gujarat Congress Committee and Mr. Jamnadas Mathuria were tried under Sections 21 and 23 of Ordinance No. 2 on a charge of attempting to seduce Government servants, specially the police, by distributing leaflets. Each was sentenced to 18 months’ rigorous imprisonment and a fine of Rs. 50. Dr. Kumarappa was tried, on a charge of breach of ‘parole,’ and sentenced to 18 months’ rigorous imprisonment. Mr. Blorilal Lala, one of the Secretaries of the Gujarat Congress Committee, was tried for breach of ‘parole’ and sentenced to one year’s simple imprisonment and a fine of Rs. 300.

28th. Hindu Maha Sabha’s plea for general amnesty :—As regards the “repressive policy of the Government of India,” the Working Committee of the All-India Hindu Maha Sabha expressed the opinion that it had resulted in the complete forfeiture of confidence and urged the withdrawal of the Ordinances, general amnesty to prisoners and the release of Mr. Gandhi so that an era of goodwill and mutual confidence may be restored and the Congress enabled to offer co-operation.

Police Firing in Sheohar :—The District Magistrate of Muzaffarpur reported that a determined attack was made on the Sheohar Thana in the Sitamarhi Sub-Division by a crowd of about 7,000, armed with brickbats and lathis. An officer and two men of the Gurkha military police were injured by brickbats. The police fired four rounds and dispersed the crowd. Four were killed and eight injured, two seriously. There was no further disturbance.

29th. The Commons Debate on India :—Introducing the India Office Estimates in the House of Commons to-day Sir Samuel Hoare said that the Emergency Powers did not signify the end of the policy of co-operation. They were not evidence of the conflict between British and Indian political aspirations but merely a bulwark against anarchy, disorder and revolution, required as much for India’s constitutional progress as for the avoidance of strife and bloodshed. “We have repeatedly proved our readiness to work with Indians provided they sincerely desire to work with us upon the basis of the policy approved last December by an overwhelming majority of the House of Commons,” concluded Sir S. Hoare.—Mr. Morgan Jones and Mr. Attlee put up a strong and effective case against administrative coercion and the proceedings were enlivened by Mr. Jack Jones’ rough and ready home truths. Mr. Lansbury spoke with great feeling how futile it was to imagine that India could be indefinitely ruled by force.

Arrests and Convictions :—Sardar Sardul Singh Caveeshar, “dictator”, All-India Congress Committee, was sentenced to 18 months’ imprisonment and a fine of Rs. 100 under Section 21 of the Emergency Powers Ordinance.—Dr. Mahomed Alam, first “dictator”, Punjab Congress Committee, was sentenced under Section 124-A and 17 (2) of the Criminal Law Amendment Act, to two years’ imprisonment and a fine of Rs. 100, or three months’ additional imprisonment in each case, the sentences to run concurrently. Mr. M. R. Puri, son of Mr. B. R. Puri, M. L. A., Mr. Ramanand Naiahal Singh and Mr. Mandamalal, “dictators”, Punjab Congress were sentenced to one year’s imprisonment and Rs. 100 fine. Mr. Amritlal Sheth ex-M. L. C., who was served with a notice by the Bombay police requiring him to quit Bombay and report himself to the Ahmedabad police, was tried under section 21 of the Emergency Powers Ordinance on a charge of failing to report himself to the Ahmedabad police, after his arrival at Ahmedabad and sentenced to 18 months’ rigorous imprisonment and Rs. 1,000 fine.

MARCH 1932.

1st. Arrests and convictions :—Mrs. Leelavathi Munshi was sentenced to one year’s rigorous imprisonment, and Rs. 300 fine, in default to three months’ further imprisonment. Mr. Abid Ali and Mr. K. K. Menon, prominent Congress workers of Bombay, were sentenced to one year’s rigorous imprisonment and Rs. 300 fine, in default, to three months’ further imprisonment. Mrs. Amrat Kour was

sentenced to one year's rigorous imprisonment and Rs. 100 fine, in default to two months' further imprisonment for breach of "parole".

Judgment in Chittagong Armoury Raid Case:—Curtain was rung down to-day after the protracted trial for nineteen months on the case arising out of the sensational raid on the Government Armoury at Chittagong on the night of April 18, 193C. in connection with which 30 persons were placed on trial, when the Special Tribunal consisting of Mr. J. Younie, I.C.S. District and Sessions Judge, (President). Mr. N. N. Lahiri, Retired District and Sessions Judge, and Khan Bahadur Abdul Haye (Commissioners) delivered judgment.—(1) Ananta Singh, (2) Ganesh Ghosh, (3) Loknath Ball, (4) Ananda Gupta, (5) Fani Nandy (6) Subodh Chowdhury, (7) Sahay Ram Das, (8) Fakir Sen, (9) Lal Mohan Sen, (10) Sukhendu Dastidar, (11) Subodh Roy and (12) Ranadhir Das-Gupta were sentenced to transportation for life. Anilbandhu Das was directed to be detained in a Borstal School for three years while Nanda Singh was awarded rigorous imprisonment for 2 years. Sixteen others including Netai Ghosh, Santi Nag, Aswini Chowdhury, Nani Dev, Malin Ghosh, Sripati Chowdhury, Madhusudhan Guha, Subodh Biswas, Subodh Mittra, Sourindra Datta Chowdhury, Sukumar Bhowmick, Subodh Ball, Hiranlal Ball, Bejoy Sen, Ashutosh Bhattacharjee and Dharendra Dastidar were all acquitted, but rearrested under the Bengal Ordinance.

2nd. Arrests and convictions:—Mr. Yusuf J. Meherali and Mr. Mukund Malaviya were sentenced to one year's rigorous imprisonment and Rs. 100 and Rs. 200 fine respectively for breach of "parole". The Bombay city police attached furniture and other materials from Mr. Meherali's residence to realise the fine imposed on him. Dr. Jivraj Mehta, Dean, King Edward Memorial Hospital, Bombay, and his wife Mrs. Hansa Mehta, were arrested at their residence, under the Emergency Powers Ordinance.—Mr. Narayan Rao Joshi, prominent Karantak leader, who was detained under the Emergency Powers Ordinance was released on "parole", to-day, but was convicted on the next day for breach of the "parole" and sentenced to one year's rigorous imprisonment and Rs. 400 fine. Mr. K. Bhashyam, Mrs. Kothainayaki Ammal and Messrs. Krishnaswami Chetti, K. V. Muthukrishnan, Venkatiah, Raghunatha Rao and Jaisingh Batia who were arrested on the 27th February for going in a procession carrying black flags in China Bazaar Road were found guilty and sentenced to six months' R. I. and a fine.

3rd. Arrests and convictions:—Mr. Manilal Kothari was tried, on a charge of breach of "parole" and was sentenced to 18 months' rigorous imprisonment and a fine of Rs. 100, in default to 3 months' further imprisonment. Dr. Hari Prasad, ex-President of the Ahmedabad Municipality, was also tried for breach "parole" and sentenced to one year's simple imprisonment, and to pay a fine of Rs. 500, in default 3 months' further imprisonment.

7th. Sentence on Mr. Gopaldas Desai:—Durbar Gopaldas Desai, ex-Talukdar, and two other Congress workers of Ahmedabad were tried at Nadiad on a charge of breach of "parole" order and sentenced to nine months' rigorous imprisonment each and a fine of Rs. 200, in default to three months' further imprisonment.

8th. "National Unity before Communal advantages":—Several prominent members of the Indian Christian community in the United Provinces issued a statement declaring themselves in favour of joint electorates. They observed: "Our faith in joint electorates is strong and thorough-going. Even if other minority communities do and separate electorates, we, the Christians, shall stand for joint electorates. We believe it our Christian duty to place national unity and national advancement before communal advantages."

9th. Arrests and Convictions:—Mufti Kifayatullah, who had been appointed "Dictator" Jamiat-ul-Ulema-i-Hind, was served with orders under the Emergency Powers Ordinance, to refrain from making speeches or issuing statements.—Messrs. Nariman and Munshi and Mrs. Perin Captain who were released on "parole" were re-arrested and sentenced by the City Magistrate Bijapur, to 2 years' rigorous imprisonment and a fine of Rs. 200 and 1 year's simple imprisonment and a fine of Rs. 100, respectively.—Mr. K. P. Damodara Menon was arrested at

Calicut, while addressing the members of the Bar not to practise in Courts. The case came up for hearing on the 11th when he was sentenced to undergo rigorous imprisonment for a period of six months.

10th. Europeans and Reforms :—A definite and deliberate challenge to what might be termed extreme diehardism both in England and India was made by Mr. Villiers, President, European Association while addressing a meeting of Darjeeling Planters' Association. In the course of a speech he declared that the Association would throw its whole weight against any Government or party, British or Indian, which sought to play any double game in connection with the policy whereto they all subscribed. The speech was regarded as the most important he made for a long time, as it expressed the urgent need for granting provincial responsibility, as well as preparing to implement the promise of granting federal responsibility.

12th. Seth Jamnadal Sentenced :—Seth Jamnadal Bajaj who was released on "parole" was re-arrested for failing to report himself to the police and was sentenced to one year's rigorous imprisonment and Rs. 500 fine.

Pt. Malaviya inaugurates Swadeshi Movement :—Pandit Madan Mohan Malaviya started the Swadeshi Movement at a public meeting held in Benares. He said that at this juncture there was great need for an All-India organisation to promote Swadeshi purely on an economic basis so that irrespective of their political views, all Indians might be able to join it. He said : "I am starting an All-India Swadeshi Sangha Office at Benares and request my countrymen in every town, taluka and village, particularly those among them, who are not actively engaged in any other work, for the uplift of the motherland to organise local Swadeshi Sangha in their midst and endeavour to enlist every Indian as a member, on signing a pledge that he or she will thereafter use Swadeshi goods only.

14th. Delhi Lathi Charge :—In the Assembly Mr. Maswood Ahmed moved an adjournment motion to protest against the lathi charges made on a peaceful and unarmed crowd on the occasion of the arrest of Mufti Kifayatulla. From what he saw personally, it appeared to him that the authorities were bent upon doing mischief. He particularly mentioned an incident of alleged desecration of a mosque in Kunch Kahaman into which, he said, the police entered with their shoes on, broke the lantern and door, and made a lathi charge on the people there and arrested many persons. He warned the Government that unless they punished those who were found guilty of this desecration, the Muslims would never rest quiet for a moment.

Sentence on Mr. Jairamdas :—Mr. Jairamdas Doulatram, Secretary, All-India Congress Committee, was sentenced to nine months' rigorous imprisonment and Rs. 1,000 fine.

15th. Mrs. Gandhi Sentenced :—Mrs. Kasturibai Gandhi was arrested and sentenced by the Bardoli Magistrate to six months' rigorous imprisonment.

"Peasants' Day" Demonstration in Bombay :—More than 100 volunteers were put under arrest at Azad Maidan and marched to the police lock-up. The volunteers entered the maidan in perfect military formation from the Girgaum end and marched to the Wauddy Road end to attend a meeting in celebration of the "Peasants' Day." Hardly had they neared the Esplanade Police Station when the police rushed at them with their sticks swinging in the air. The volunteers immediately squatted on the ground. They were then put under arrest and marched to the police station in lorries. The arrest of these 100 volunteers was the signal for the large number of people who had gathered there to raise Congress slogans and cheer the arrested Congressmen. The crowd which continued to indulge in demonstration had to be chased away by the police and a few more arrests were made. The 19th Emergency Council which was at the head of the procession was also arrested along with the volunteers. Earlier in the day 12 persons were arrested in the Esplanade Police Court where they had come to hear the cases of the Congressmen on trial. There was a hartal in the city.

17th. Arrests and Convictions :—Thakur Ramanand Singh, ex-M. L. C. of Muzaffarpur was arrested at Sitamari in connection with Civil Disobedience. Pandit Yamuna Karjee, Editor, "Loksangraha," a nationalist weekly of Muzaffarpur, was sentenced to four months' rigorous imprisonment at Darbhanga.

20th. "Meerut Day" Demonstration in Bombay :—Bombay workers observed to-day as the "Meerut Day" in commemoration of the third anniversary of the arrest of 31 labour leaders who were on their trial in the Meerut Conspiracy Case. Processions with red banners and meetings in the Labour area held under the auspices of the Girni Kamgar Union, and other Labour organisations in the city, marked the celebration of the day and these demonstrations culminated in a largely attended meeting of workers at Lal Maidan, Lal Baug in the evening. The meeting was attended by a large number of mill workers including many women workers from the Bombay Woollen Mills who were on strike. The Dock workers who were also on strike, marched from their Union's Office in a procession to Lal Baug and joined the meeting at Lal Maidan.

22nd. Lahore arrests and convictions :—Congress leaders Messrs. Gopichand and Mangal Singh and Dr. Satyapal were sentenced each to one year's rigorous imprisonment and fine of Rs. 100 in default to three months' further imprisonment. Dr. Satyapal, who was also charged for sedition for a speech alleged to have been delivered at Ferozepore, was sentenced to two years' rigorous imprisonment.

23rd. Women Prisoners and Delhi Police.—After question time in the Assembly Mr. Sant Singh moved an adjournment motion over the treatment of women political prisoners of Delhi during their transfer to mixed jails in the Punjab. He complained that prisoners of a respectable position like Mrs. Asaf Ali, Chando Bibi, Mrs. Durgadas and Miss Usha Devi were so ill-treated. They, along with others, commenced a hunger-strike at the threatened transfer to mixed jails. Their request for transfer to the Lahore jail was refused. Chando Bibi was bruised when she was being put into a lorry and she bled. Another was hurt while being pushed into the lorry. One of the women-police used a contemptuous term. The Home Member pointed out that Mr. Sant Singh had not made a single allegation supported by specific facts of any mal-treatment whatsoever. There was no illegality in transferring them from one jail to another. It was impossible for the authorities to accede to the unreasonable and impracticable request for the transfer only to the Lahore jail. The women-police used the minimum force and behaved with great propriety. Force was used only in the last resort in spite of provocation.

Conviction in Bombay.—Thirty-six persons described as "king-makers" and "brains behind Congress activities in Bombay City" were charged under Section 17 (1) and (2) of the Criminal Law Amendment Act with being members of unlawful associations. Of the thirty-six ten were acquitted for want of evidence of their being members of an unlawful association. Twenty of the remaining were convicted and sentenced each to twelve months' rigorous imprisonment and Rs. 800 fine while the remaining six were sentenced under Section 17. (1) of the Criminal Law Amendment Act each to 6 months' rigorous imprisonment and a fine of Rs. 50.

29th. Support for Moonjee-Raja Pact :—The Depressed Classes Association of Delhi held a demonstration round the Council house in New Delhi, which was watched by Lord Lothian and the members of his secretariat and many others. They carried flags, bearing slogans, expressing their belief in joint electorates and expressing support for the Moonjee-Raja pact and repudiating Dr. Ambedkar. The Akola Depressed Classes Conference held at Murtazapur passed resolutions supporting the Raja-Moonjee pact and urging joint electorates with reservation of seats on a population basis.

New Governor of Bengal :—Sir John Anderson, the new Governor in Bengal, assumed charge to day. Sir Stanley Jackson and the Hon. Lady Jackson departed after formal leave-taking.

APRIL 1932.

- 2nd. Arrests and Convictions :—**At Comilla Sj. Basanta Kumar Majumdar was sentenced to two years' rigorous and Miss Labanyalata Chanda, Comilla School Headmistress and four other women were sentenced to six months' simple in connection with a procession and other illegal activities.—At Noakhali eight volunteers were sentenced to three months' rigorous and a fine of Rs. 200 each for attempting to hoist Congress flag on the Sub-Divisional Officer's Court.
- 4th. Moul. Shaukat Ali's charge of Communalism in Boycott:—**Maulana Shaukat Ali wrote a letter to Mrs. Sarojini Naidu, charging the Congress of picketing of Muslim firms in general and the firm of Sardar Suleman Cassim Mitha in particular in Bombay. Mr. Abdul Rahman Mitha, eldest son of Sardar Suleman Cassim Mitha, issued a statement denying the charge against the Congress. He said that Mr. Shaukat Ali's letter to Mrs. Naidu contained misrepresentation of facts. The statement concluded : As an impartial observer, I can say that the boycott is not directed on communal considerations. Lastly, it is unfair on the part of this Messiah of discord—the Maulana Sahib—to use my father's fair name, position and influence to create misunderstanding, particularly when my father is out of India on a pilgrimage. My father has not given him permission to do so. Maulana Shaukat Ali's outburst is mischievous and out of place.
- 5th. Permission to hold Congress session refused :—**In connection with the proposal to hold the 47th session of the Congress in Delhi, Mr. A. H. Lyard, District Magistrate, sent the following communication to Mr. J. N. Sahni, General Secretary, who, in his letter to the District Magistrate, wanted the use of a plot of land for the erection of the Congress pandal : "In reply to your letter of the 4th April, I am instructed by the Chief Commissioner to say that he referred to the Government of India, who have informed him that, as a campaign of Civil Disobedience is being carried on by the Congress, they are unable to allow the annual session of the Congress to be held. In these circumstances, there can be no question of placing any land at the disposal of the Congress.—Pandit Malaviya, in a statement to a press representative said that the decision to hold the annual session had been arrived at irrespective of what attitude the Government might adopt regarding it. He added that preparation for the Congress shall proceed and hoped that it would be held on the date fixed.
- Mrs. Sarojini Naidu on the ban on the Congress :—**Mrs. Sarojini Naidu, acting President of the Congress, interviewed, said the news of the ban on the Delhi Session of the Congress did not come as a surprise at all, but the Delhi session would be held on the appointed date. Proceeding, Mrs. Naidu said that the Government were paying a signal tribute to the power of the living Congress by putting a ban on it almost before the echoes of the Home Member's statement, that the Congress was not an unlawful Association, had died upon the air.
- 6th. Arrests and Convictions :—**Mrs. Kamaladevi Chattopadhyaya and 8 others, including seven Desh Sevikas, were arrested in Bombay for attempting to take out a Congress procession in pursuance of the programme announced for inaugurating the National Week. All the principal markets and commercial associations in the city observed hartal. Mrs. Kamaladevi and the other arrested ladies were sentenced to 6 months' rigorous imprisonment and Rs. 50 fine.—At Lahore Miss Zutshi, Dictator of the Punjab Provincial Congress Committee, Miss Satyavati, Mrs. Pindidass, Mrs. Jat Narayan, Mrs. Ganga Ram, Mrs. Chatterjee, Mr. Tarachand and Haji Noor Mahomed were arrested while marching in a procession to celebrate the inaugural day of the "Gandhi Week."
- 8th. Arrests in Bombay for Picketing :—**Fifty-two Congress volunteers including the Buleshwar Ward Dictator were arrested in Bombay for attempting to hold flag salutations and picketing the Yarn Market.
- 9th. Ordinance Regime in India Condemned :—**At the annual meeting of the Scottish Liberal Federation, Glasgow, Mr. A. Forrester Paton moved an amend-

ment to the Committee's report referring to India. The amendment condemned rule by Ordinances, stating that the delegation of wide executive powers to the police was leading to inevitable abuse with the result that moderate opinion is alienated thus making more difficult reconciliation without which a satisfactory solution of the constitutional problem cannot be obtained. Mr. Paton believed the Ordinance regime was having a disastrous effect upon the relations between Britain and India.

Congress Flag flown in London:—The Congress Flag flew over Trafalgar Square on the occasion of a huge demonstration organised by the Friends of India Society as a protest against repression in India presided over by Brigadier-General F. B. Crozier at which all speakers condemned "Willingdonism."

Police firing in Allahabad:—Late in the evening a procession was taken out in Allahabad by the Satyagrahis but was stopped by the police at the corner of Canning and Stanley Roads. The processionists squatted till about 7 p.m. and the police began to move them on, when some stone-throwing took place, and the police were ordered to fire a volley. The crowds began to run away, throwing stones. The police followed them into the city and it was reported three volleys were fired. Three men died as a result of gunshot wounds and thirty-six injured. Forty-three Satyagrahis were arrested.

10th. Mysore All-Parties' Conference:—For the first time in the political history of Mysore a conference in which all parties in the State were adequately represented met at the Town Hall, Shimoga, under the presidency of Mr. H. B. Gundappa Gowda. The following resolutions were passed:—While welcoming the desire of the Indian Princes to join in a scheme of All-India Federation, this Conference is emphatically of the opinion that the entry of the States into the Federation will not be acceptable to the people of the States unless the following guarantees are incorporated in the constitution of India as conditions precedent to such entry, namely (a) that federal citizenship without prejudice to our accepted allegiance to the Royal House of Mysore and fundamental rights are secured for the people of the States, (b) that the representation of the States in the federal legislatures be by election as in British India and not by nominations and (c) that the federal court should have power to enquire into and decide any question that may arise regarding the infringement of the fundamental rights of the State subjects. The Conference urged the immediate establishment of responsible government in Mysore.

11th. Arrests and Convictions:—Mr. Gokulchand Hirachand, brother of Mr. Walchand Hirachand of Bombay, was sentenced by the City Magistrate, Sholapur, to 18 months' rigorous imprisonment and a fine of Rs. 20,000 for failure to comply with the "parole" order. In the course of his judgment the Magistrate remarked that he had levied a heavy fine, after taking into account the status, wealth and position of the accused.—Professor Valji Desai, inmate of Gandhiji's Ashram and the thirteenth Dictator of the Gujerat Provincial Congress Committee, was sentenced to six months' rigorous imprisonment. Seven other Congress workers were sentenced to various terms of imprisonment from two to three months.

12th. Conviction of Bombay "Emergency Council" members:—Mr. R. S. Talpade, dictator for the Girgaum Ward was sentenced to one year's rigorous imprisonment and Rs. 200 fine under the Criminal Law Amendment Act. Mr. M. N. Marathe was sentenced to 9 months' imprisonment and Rs. 100 fine. Mr. Sundaram was sentenced to 15 months' imprisonment for disobeying the Police Commissioner's order to leave the city. Four Congress volunteers were sentenced to varying terms of imprisonment from four to six months for writing Bhoi-Patrikas. Three members of the Twenty-Second Emergency Council were sentenced to six months' rigorous imprisonment. Of the nine volunteers arrested along with them, three were awarded six months' rigorous each, while the remaining were bound over for a period of six months. Nine volunteers arrested for flag-salutation at Byculla were awarded three months' rigorous each, while a batch of eight were awarded similar sentences.

The Itwari Riot Case :—Judgment was delivered in the Itwari Riot case to-day. Last year about this time one evening a policeman on point-duty stopped a cyclist who was passing without a light through Itwari, the storm centre of Congress activities in 1930. When the policeman was about to take the cyclist to the thana, two brothers Vasudeo and Nandoo interfered. There was an altercation and then a scuffle ensued. Soon, a crowd gathered at the scene, but four more policemen came to the scene and the cyclist and the two brothers were secured. When the police party of five was removing the prisoners to the thana, a crowd stoned and later attacked the police with lathis. All the five policemen were injured. A case under Sections 117 and 332 of the Penal Code was registered and the following twelve persons were charged, namely, Narayan Ambadas, Basantilal, Brijmahon, Pannalal, Bhola Singh, Vasudeo, Ramasao, Ramrangari, Laksuman, Vithal and Arku. Of these Pannalal was the Captain of the Congress organisation. Mr. Izuddin, City Magistrate, Nagpur found all the accused guilty and sentenced them to two years' rigorous imprisonment each. On appeal Mr. G. K. Agarwal, Sessions Judge, acquitted all except the following five, Basantilal, Vithal, Lakshman, Ramsao and Ramrangari. These five prisoners filed appeals against the acquittal of the other seven accused. Sir Robert MacNair, Judicial Commissioner, heard both the appeals and the revision petitions and delivered judgment to-day acquitting the following four namely, Vasudeo, Lakshman, Vithal and Arku and convicting and sentencing to one year all the other eight including Pannalal.

13th. Lathi Charge in Delhi :—There was a procession to conclude the National Week in Delhi. The crowd refusing to disperse, there was a lathi charge. Nine arrests were made including that of Shrimati Satyavati, grand-daughter of Swami Shradhdhanand.

Lathi Charge at Rajshahi :—While leading a procession through the streets of Rajshahi five Congressmen, including the Secretary of the local Congress, were arrested by the police, who removed the Congress flags and the procession by a lathi charge.

Arrests in Bombay city during the National Week :—The total number of arrests in Bombay City during the National Week numbered about 230, including the members of three Emergency Councils. The total number of arrests since the revival of civil disobedience was reported to be about 2,300. Eleven persons including the President and members of the twenty-third Emergency Council who were arrested at the Zaveri Bazaar for taking out a procession, were sentenced by the Chief Presidency Magistrate to six months' rigorous imprisonment and a fine of Rs. 50, in default to six months' further imprisonment each. Sardar Taman Singh, President of the Emergency Council, was also charged under Section 21 of the Emergency Powers Ordinance, and sentenced to 18 months' rigorous imprisonment, and a fine of Rs. 300 for failure to observe the conditions of parole.

Police Firing in Mardan :—A police firing took place in Mardan when large contingents of "Red Shirts" from Nowshera and Charsadda areas arrived and prevented the voters from polling. The voters were therefore escorted to the polling station but as "Red Shirts" persisted in obstructing, there were two or three lathi charges near the Government High School. The "Red Shirts" replied by stoning the police escorting the voters near Kalkhan. Two policemen were injured. The police were forced to fire one round. Polling was meagre during the first half of the day. As a result of the above measures, voting increased in the latter half of the day but, as a precaution, police escort was again requisitioned. A party of fifty police, under an Assistant Superintendent of Police, returning from Mayar to Hoti were pelted four times and had to disperse large concentrations of "Red Shirts," who were preventing voters from going to the polls. They were stoned. Fourteen policemen were injured, two of whom were removed to hospital. The Assistant Superintendent of Police gave the order to open fire and fourteen rounds were discharged. This resulted in the dispersal without further trouble of all the picketers.

17th. Mr. Pethick Lawrence's plea for friendly action :—Mr. Pethick Lawrence addressing the Unitarians' Christian Assembly at Birmingham, said what the Indian people wanted was self-government and while for the time we might by

force keep them in subjection a time would come when the people would rise and wrench themselves free. Our internal distractions, said Mr. Lawrence, caused a failure of the Round Table but he hoped it was not too late to bring a peaceful solution of this problem and establish a real self-governing India. Tyranny, rebellion and all sorts of things were happening but Britain could give a great lead to peace by wise guidance and friendly action.

19th. Reception Committee of Delhi Congress Declared Unlawful :—A Gazette Extraordinary issued to-day published the following :—Whereas the Chief Commissioner of Delhi is of opinion that the association at present known or described as the Reception Committee of the Forty-seventh Indian National Congress has for its objects interference with the administration of law and with the maintenance of law and order and that it constitutes a danger to public peace, it is hereby declared by the Chief Commissioner under Section 16 of the Indian Criminal Law Amendment Act of 1908 (as amended by the Devolution Act of 1920) that the said association is an unlawful association within the meaning of Part two of the said Act.—Following the notification declaring the Reception Committee of the 47th annual session of the Congress unlawful, the police conducted simultaneous searches in the houses of about 12 members of the Committee including Mr. Pearylal Sharma, Chairman, Lala Shankarlal, Mr. J. N. Sahani, Maulana Abdulla and Lala Hardayal Singh. The office of the Reception Committee was also searched.

20th. Pt. Chandra Kant Malaviya Sentenced :—Pandit Chandra Kant Malaviya was sentenced at Allahabad to two years' rigorous imprisonment and a fine of Rs. 200. He was charged under Section 17 (2) of the Criminal Law Amendment Act, with having assisted in the capacity of Dictator in the management of the Allahabad Town Congress Committee, an unlawful Association and with having promoted a meeting of the said unlawful Association or some of its members by taking out a procession.

Frontier Council inaugurated :—His Excellency Lord Willingdon inaugurated the Frontier Legislative Council to-day. Special enthusiasm was evoked by His Majesty the King-Emperor's message which H. E. the Viceroy read and by the Viceroy's announcement that the Frontier Crimes Regulation would be suspended for a year to show the spirit that animated the Government. Nawab Sir Abdul Qayum was appointed the first Minister of the Frontier Government.

21st. Congress Reception Committee members arrested :—Messrs. Shankarlal and Sahni, Secretaries of the Congress Reception Committee and five members of the Committee were arrested along with Mrs. Sahni and Mrs. Kohli. The Reception Committee was declared an unlawful association by a Gazette Extraordinary issued on the 19th and the office of the Reception Committee was declared a notified place.

Mrs. Usha Malaviya convicted :—Srimathi Usha Malaviya, daughter-in-law of Pandit Madan Mohan Malaviya was sentenced to three months' simple imprisonment and a fine of Rs. 500, in default to six weeks' further imprisonment. She was arrested on the "Jallianwala Bagh Day" while leading a procession.

22nd. Mrs. Sarojini Naidu Sentenced :—A restraint order, signed by the Bombay Police Commissioner, was served on Mrs. Sarojini Naidu, on the 20th. The order directed her not to do any act in furtherance of the Civil Disobedience movement and not to leave Bombay City without the permission of the Commissioner of Police. Mrs. Naidu, disobeying the Police Commissioner's order, left for Delhi on 22nd. But the train was stopped at Bandra and Mrs. Naidu was arrested and brought to Bombay. She was tried the next day under Section 21 of the Emergency Powers Ordinance and sentenced to one year's simple imprisonment.

23rd. Pandit Malaviya Arrested :—Pandit Madan Mohan Malaviya, President-designate of the forty-seventh Session of the Indian National Congress, was

arrested. He was served with a notice prohibiting his entry into Delhi. As he entered Delhi defying the order, he was arrested. Along with Pandit Malaviya, Pandit Govind Malaviya, Mr. R. S. Pandit, Dr. Mangal Singh and Mr. Waman Kapadia were arrested for disobeying the restraint order served on them.

24th. Congress gathering dispersed in Delhi:—At about 9 a. m., a crowd was seen gathering round the Clock-Tower in Delhi, where some Congressites were reading five resolutions which they claimed had been adopted by their Subjects Committee the previous night. Seth Ranchordas Amritlal of Ahmedabad, it was reported, was the President of this gathering which the Congressites claimed was the 47th session of the Congress. The address of Pandit Pearylal Sharma, the annual report of the Congress and copies of the Congress resolutions were also freely distributed amongst the crowd. The police were soon on the scene, and forming a cordon arrested the whole lot which, it was estimated, numbered 150. They were then taken in lorries to the Central Jail. Soon after, an Akali Sikh Jatha of about 90 was seen emerging from the Sisganj Gurdwara in Chandni Chowk and marching towards the Clock-Tower. They were stopped by the police almost in front of the Central Police Station, where they were arrested and removed to the jail. Similarly, a batch of 13 ladies was arrested from Chandni Chowk. Processions of Congressmen were dispersed by the police by lathi charges. According to official estimate, there were altogether 630 arrests in this connection. The Subjects Committee of the Congress was reported to have met on the 23rd and passed five resolutions, affirming the resolutions of the Working Committee.

Arrests in Mandvi for Flag-Salutation:—Thirty-five Congressmen including the members of the Twenty-Fourth Emergency Council, were arrested at Mandvi while attempting to hold the monthly flag salutation ceremony, that day being the last Sunday of the month.

Congress organisation not illegal:—Mr. Morgan Jones (Labourite) raised in the Commons to-day the question of the Congress arrests at New Delhi. Sir S. Hoare announced that it was necessary to take preventive action against the holding of prohibited meetings the object of which was to further the illegal activities of the Congress. Asked whether the Congress organisation had been declared illegal under the new Ordinances, Sir S. Hoare said that the Congress as a whole had not been declared illegal, but the local bodies of the Congress in many instances had been banned. Sir Samuel explained further that it was the meeting which had been declared illegal and not the Congress organisation.

Shapur Mail Robbery Case:—The hearing of the Shapur Mail Robbery case was concluded to-day by the Sessions Judge, Khulna, with the aid of a special Jury. The Jury unanimously gave the accused Washed Ali and Fezal Shaikh the benefit of doubt and they were acquitted. The remaining three accused, Natabar Kundu, Kanai Lal Biswas and Syed Ali were found guilty under Sections 394, I. P. C. (committing robbery) and 120-B. I. P. C. (criminal conspiracy). Natabar was sentenced to undergo rigorous imprisonment for nine years, Kanai and Syed Ali to five years rigorous imprisonment each. The case for the prosecution was, that on 27-10-1931, two mail runners with an extra cooly left Daulatpur Post Office in the morning with postal mails, went up to Shapur, delivered their westward bound mails to a batch of runners there, had their meals and in the afternoon received eastward bound mails from another batch of runners and left for Daulatpur. When they passed over the bridge at Ambhita and were under a big tree near Ghona Kandardanga they were assaulted mercilessly by four of the accused with lathis and iron rods. The dacoits then decamped with all the mail bags. Information was then sent to the nearest president of the union board, who along with a Chaukidar and some villagers came to the spot and sent the injured runners to the local hospital. Some of the lost bags were then recovered in damaged condition near the place of occurrence. It was found that the dacoits had looted a sum of Rs. 1,600. Out of this amount, later on, Rs. 900 was recovered by the police. All the accused made confessional statements before the Magistrate but retracted them subsequently in the Session Court.

27th. Mrs. Zutshi sentenced :—Mrs. L. R. Zutshi, a prominent Congress worker of Lahore, and her daughter Miss Manmohini Zutshi, who were arrested on 6th April while forming a procession in connection with the inaugural day of the "National Week" were sentenced under Section 21 of the Emergency Powers Ordinance to rigorous imprisonment for 18 months and one year respectively. Both were further tried along with five other ladies, namely, Mrs. and Miss Pindi Dass, Shrimati Taradevi and Mrs. Jagat Narain under the Picketing Ordinance. All the seven women were sentenced to four months'.

30th. Midnapur Dt. Magistrate Shot at :—Mr. R. Douglas, District Magistrate of Midnapur was shot at and fatally injured at the District Board Office. Mr. Douglas was sitting in the office signing papers, as he was the Chairman of the Board. Suddenly a revolver shot rang out and five others quickly followed from a four yards' range, two hitting Mr. Douglas. Then it was evident there were two attackers who dashed outside across the office garden with Mr. J. George, Sub-Divisional Officer pursuing them with a revolver in hand. One of the assassins escaped, but the other was ultimately caught in a dilapidated hut after falling over a bush.

MAY 1932

1st. Pandit Malaviya Released :—Pandit Madan Mohan Malaviya, his son Pt. Govind Kant Malaviya, and his grandson Mr. Sridhar Malaviya and also two companions of him, who were arrested in connection with the Delhi Congress session were released to-day. They were taken out of the jail in a car to Ghaziabad, where they were put into a train and allowed to go home. Similarly, 13 women and 65 men, who were arrested during the Congress Week, were released.

Dr. Jivaraj Mehta sentenced :—Doctor Jivaraj Mehta, Dean of the King Edward Memorial Hospital, Bombay who was recently transferred to the Bijapur Jail was released in the morning and served with an order asking him to report himself to the police at 8 in the evening. Having failed to report himself to the police he was re-arrested the same night, tried the next morning and sentenced to two years' rigorous imprisonment and fine of Rs. 200 under Section 21 of the Emergency Powers Ordinance.

Lothian Committee Report Signed :—The Franchise Committee's report was signed in Simla by all the members except Sir Ernest Bennett, who had to leave India a fortnight ago. There was one dissenting minute signed by three members. In addition, some other members inserted supplementary notes on certain special points.

2nd. Police Raid in Bombay :—A raid was made by the city police (C. I. D.) on a residence at Bhatwadi, Bombay, believed to be a place whence Congress workers carried on their secret work. The place was subjected to a thorough search lasting for an hour. As a result of the search large quantities of papers, files and other documents including Rs. 940 in cash were seized. Three persons found in the place and believed to be secret Congress workers were taken into custody.

3rd. Miss Sofia sentenced :—Miss Sofia Somji who was released some time back from Byculla jail and served with an order by the Commissioner of Police, Bombay directing her not to enter the city, was arrested at Girgaum for defying the Commissioner's order. She was sentenced to one year's S. I.

4th. Arrests and Convictions :—Mr. R. S. Pandit was charged with defying a order prohibiting him from going out of Allahabad. Mr. Pandit had gone to Delhi in connection with the Congress, where he was arrested. The Magistrate sentenced him to one year's rigorous imprisonment and Rs. 200 fine.—On their refusal to give their thumb impressions two young girls, Nirmala Sarcar and Jamuna Ghose undergoing a year's rigorous imprisonment in the Presidency Jail, Calcutta, were sentenced by the Chief Presidency Magistrate to three months'.

rigorous imprisonment. The girls were arrested at Comilla and sentenced to six months' rigorous imprisonment in connection with a demonstration at the High Court.

5th. Congress Bulletins and boycott supplements seized :—Four persons were arrested and over 3,00 copies of the Congress bulletins were seized by the Police in Bombay, when they raided a room in Cavel Street on suspicion that it was being used as a centre for the distribution of the bulletins. In the meanwhile the police on a search of the room also took possession of large quantities of documents, receipts, etc. Three gunnybags of Congress bulletins as also Boycott Supplements and other Congress literature, besides stencils and ink, were seized by the police in another raid on the same day in a room in Grant Road where they arrested eight persons.

9th. Severe Tornado in Mymensingh :—A severe tornado swept over the Mymensingh Jail in which were incarcerated 1,200 prisoners and detenus. The jail walls were almost razed to the ground, and the majority of the roofs were lifted. It was stated that fifteen persons were killed and from 50 to 75 injured in the villages of Mymensingh as the result of the Storm Havoc. The number of dead in the Mymensingh Jail due to the collapse of the wall was twenty-six, of whom seventeen were convicts, two undertrials, two warders, three visitors, and one woman and a constable. The damage was estimated at about two lakhs.

11th. Maulana Abul Kalam Azad released :—Maulana Abul Kalam Azad was released from the Jail to-day. It may be recalled that the Maulana, who was then Acting President of the Congress, was arrested two months ago under the Emergency Powers Ordinance and detained since then. Immediately after his release, he was served with a notice not to participate in Congress activities nor leave Delhi without permission.

13th. Arrests and Convictions :—Dr. J. M. Das Gupta, Ex-President of the Burra-Bazar Congress Committee, was sentenced by the Chief Presidency Magistrate, Calcutta, to nine months' simple and a fine of Rs. 200, in default three months' further imprisonment, for a speech, alleged to be seditious, delivered on the 19th December last in Chittagong on the Dacca and Hijli incidents.—Mr. Bhabani Prasad Ghosh, Secretary, Budge Budge Congress, was sentenced to one year's rigorous by the Additional District Magistrate, Twenty-four Parganas, in connection with a speech delivered on the Hijli, Chittagong and Dacca affairs on 12th December last.—Dr. Saifuddin Kitchlew, Congress leader, who was on his way from Delhi to Amritsar in connection with the Moharrum festival, was arrested at the Ludhiana Railway Station. He was released afterwards and served with an order by the Punjab Government not to enter Lahore and Jullundur divisions without the permission of the Government.

14th. Rioting in Bombay :—A communal fracas suddenly broke out in Bombay at Nagdevi, a Muslim locality, when Hindu potters, it was alleged, were attacked by a Muslim mob. The trouble spread to Abdul Rahman Road, the Crawford Market, Bhendy Bazar, etc. At Phydone, Hindus were set upon by a Muslim crowd. The police immediately arrived on the scene, but as they were unable to quell the disturbance, armed police were requisitioned. Stones were thrown at tram cars, Moslem crowds and Hindu passersby assaulted. On the next day, a mosque was set on fire but the fire was extinguished. The Hindu inhabitants of predominantly Muslim localities were removed from the area. Damage as the result of looting of shops was estimated at several lakhs. About 30 died and nearly 500 injured in the riots. Stern measures were taken by the Bombay Government to quell the riots. The rounding of suspects continued and over 1,500 were arrested. The total casualties during the riots were 139 dead and 1,400 injured.

16th. Reign of Terror in Bombay :—To-day's casualties in the riots included 16 killed and 150 injured, making the total since the 14th. 40 dead and 550 injured. Cases of arson and looting of shops continued to be reported from both Hindu and Muslim localities. Forty-five arrests were hitherto effected.

17th. Riots in Bombay continued:—The situation in Bombay showed no change for the better. This morning dawned with fresh rioting in different quarters of the city. It was reported that the police opened fire to disperse the rioters for about twenty times. A Hindu house was set fire to by some Moslems who, on refusal to disperse, were fired upon by the police, resulting in six being injured.

18th. Arrests and Convictions:—Maulana Nuruddin, Dictator of the Jamiat-ul-Ulema, was sentenced to two years' rigorous imprisonment under the Emergency Powers Ordinance. He was served with a notice to leave Delhi within 24 hours on May 6th. He defied this order by leading a procession through Chandni Chowk. Mr. Deshbandhu Gupta, Municipal Commissioner, Delhi, was sentenced to undergo six months' rigorous imprisonment and to pay a fine of Rs. 300, for leading a procession in defiance of orders under Section 144, Cr. P. C. on the 24th April when a Congress session was attempted to be held there.

20th. Conviction in Lahore:—Eleven men including Dr. Sohan Singh who were arrested in a house in Lahore, it was alleged while making preparation for demonstration against the Lothian Committee on the night preceding the arrival of the committee, were sentenced under the Criminal Law Amendment Act to various terms of rigorous imprisonment, ranging between six months and a year, with fine in the case of Dr. Sohan Singh.

Congress procession dispersed in Allahabad:—The police dispersed a Congress procession which attempted to enter the Civil Lines in Allahabad and made about 15 arrests, including two women. The processionists tried a ruse by dividing themselves into two parts, one coming down to Purushottam Das Park and the other going towards the Railway Station, but the police were alert and frustrated their plans and dispersed them.

Death of Mr. Bepin Chandra Pal:—Mr. Bepin Chandra Pal, the well-known politician and publicist, died of apoplexy in Calcutta. He was 76 years old.

21st. Seth Ranchhodlal Sentenced:—Seth Ranchhodlal, Millowner of Ahmedabad, who presided over the Delhi Session of the Congress, was tried under Section 21 of the Emergency Powers Ordinance on a charge of breach of the conditions of the restraint notice served on him and sentenced to rigorous imprisonment for nine months and to pay a fine of Rs. 5,000 in default six months' additional imprisonment.

Picketing resumed in Bombay:—After a lull of over a week in Congress activities the picketing of foreign cloth shops was resumed in Bombay when three volunteers were arrested for picketing before Messrs. Whiteaway Laidlaw and Co. Two of them were sentenced to five and six months' rigorous imprisonment respectively.

24th. Attempt to hold District Conference failed:—The attempt by the Congress to hold the District Conference at Allahabad proved a failure. The police guarded all the public places to prevent meetings. Orders under Section 144 of the Criminal Procedure Code were promulgated. Despite this, a number of villagers from the district assembled here and there, but were quickly dispersed. Mrs. Mukund Malaviya, daughter-in-law of Pandit Madan Mohan Malaviya, tried to hold a meeting near the Clock Tower, but was promptly arrested with four others, and the gathering dispersed by the police. A subsequent gathering was also dispersed and several persons were arrested.

Fire in Charsadda:—The whole of the Charsadda Bazaar, comprising about one thousand houses and shops, was destroyed as a result of a disastrous fire which commenced at 8 o'clock in the evening and was brought under control only the next morning by the troops and the fire brigade. A violent duststorm which raged in Peshawar District throughout the day fanned the flames, which continued to spread despite the efforts of the troops and the police.

25th. Arrests and Convictions:—Jitendranath Lahiri, Benares Congress Dictator and two other Congressmen were sentenced to one year's rigorous imprisonment and a fine of Rs. 50 each, in default six weeks imprisonment. Three

others were sentenced to six months' rigorous imprisonment and a fine of Rs. 50 each, in default four weeks' further imprisonment. These six persons were arrested while holding a meeting in connection with the Congress work and were convicted under the Criminal Law Amendment Act. Twelve volunteers who were arrested while observing the "Delhi Congress Day" on the 24th May were sentenced to one month's rigorous imprisonment each and were also fined. Four other volunteers were sentenced to one year's imprisonment.

26th. "All-India Labour Day":—In pursuance of the resolution of the All-India Trade Union Congress Executive, to-day was observed as the "All-India Labour Day" in Nagpur. Mill hands emerging from mills at the end of the day's work formed themselves into a procession carrying the usual revolutionary and labour slogans and miniature "red" flags, which after passing through the business quarters of the city, terminated at the Chitnis Park. A meeting was held there under the presidency of Mrs. Indirabai Ruikar, when the Labour leaders addressed the gathering. Resolutions were adopted protesting against "the repressive policy of the Government," and demanding the immediate reversal thereof and the release of all political prisoners and the withdrawal of the Ordinances.

29th. Ban on C. P. Political Conference:—The District Magistrate of Nagpur prohibited the holding of the Central Provinces Political Conference proposed to be held on the 29th May. It appeared that in spite of the prohibitory order some of the delegates were present in the municipal garden in Itwari Bazar. Printed copies of the resolution and speeches were distributed. The police who were nearly arrested the whole assembly. The total number of persons arrested in connection with the conference was reported to be 130.

Moslem League Deplores Delay in Communal Award:—The Council of the All-India Moslem League met in Delhi to-day, when twenty members attended, prominent among them being Mr. Zafarulla Khan, the President, Sir Mahomed Yakub, the Secretary, Mr. Hussain Imam, Nawab Ahmad Yarkhan of Tiwana, Barrister Abdul Aziz, Mr. Akbar Ali, M. L. C. (Punjab), and Mufti Mahomed Sadique. The Council strongly urged on the British and Indian Government the urgent necessity for an immediate decision on the question of the method and quantum of Moslem representation in the future legislatures of the country—Central and Provincial—in as much as delay in the announcement of the decision had already occasioned grave discontent resulting in the deplorable incidents which have led to acute tension between communities throughout the country blocking progress in the framing of the New constitution. The Council deplored the Bombay riots, regarding the same "as a fresh instance of Hindu intolerance and high handedness." The Council appealed to the leaders of both the communities forthwith to adopt and carry into effect measures calculated to restore peace and good understanding between the two communities.

Pandit Malaviya's appeal for Swadeshi:—"We must give food first to our own people, but we should not have ill-will towards other countries" said Pandit Madan Mohan Malaviya presiding over a very largely attended public meeting in the Town Hall, Benares, in connection with the "All-India Swadeshi Day." The Pandit begged people to take to swadeshi to secure the economic freedom of the country. Pandit Malaviya also issued a statement to the press, appealing to ruling Princes, Governments and people of Indian States to take their full share in the swadeshi movement.

Communal riot in Alwar:—An official report from Alwar said:—On the 29th May, a Chaddar procession was taken out by Muslims to the tomb of Nazrat Mubarak Ali. During this procession, a quarrel arose on a very insignificant matter between a Hindu and a Moslem which resulted in communal tension unknown in Alwar. At 9 p.m. on that day, a communal riot took place and the military had to be summoned. The crowd defied the military who, after warning, fired three shots. The total number killed in the rioting was 3, and the number wounded 39. Only one person was wounded as the result of firing by the military. The police and the military patrolled the streets for four or five days, after which the situation was brought under control. A committee of enquiry consisting of a Mahomedan and a Hindu, with a President, was subsequently appointed to report on the causes of the riots.

Rioting again in Bombay:—Riots again broke out in the Bombay City to-day. The military were called out. Armoured cars patrolled the disturbed areas. Police opened fire in Kamatipura where Hindu and Moslem crowds were heavily stoning each other and refused to disperse. Seven were killed and 75 injured in the riots on 29th and 30th May.

31st. Mrs. Mukund Malaviya sentenced:—Mrs. Mukund Malaviya, daughter-in-law of Pandit Madan Mohan Malaviya, was sentenced at Allahabad to one year's rigorous imprisonment under Section 17 (2), Criminal Law Amendment Act for participating in the District Political Conference. Four other Congressites were sentenced to six months' rigorous imprisonment each.

Total Convictions re: Civil Disobedience movement:—The official statement about the number of convictions, etc., in connection with the Civil Disobedience movement in 1932 showed that the total number of persons convicted since the beginning of the movement was 48,602. The number of convictions in round figures in each month were January, 14,800; February 17,800; March 6,900; April 5,200; May 3,800. The number in jail at the end of May 1932 was 31,194.

JUNE 1932

1st. Wardha Satyagraha Ashram Seised by Police:—A Gazette Extraordinary to-day declared as notified the Wardha Satyagraha Ashram and three other places belonging to Seth Jammalal Bajaj. A contingent of police was despatched from Nagpur and the Satyagraha Ashram was raided. Eight inmates found in the Ashram who refused to leave the place were put under arrest, tried and sentenced to four months' hard labour. A tri-colour flag found flying on the Ashram was pulled down. Simultaneously Sethji's private residence and his extensive gardens were also raided.

2nd. Rioting in Pundri:—There was a serious communal riot at Pundri, a small town in Karnal District. The trouble which had threatened to break out at the last Id, but was at that time composed, broke out again to-day. It was stated that several weeks ago during a quarrel between Sunnis and Shias, a slaughter house was demolished but soon after, the Shias and the Sunnis made up their differences, and an application was made for the re-erection of the slaughter house. The question became acute shortly before the Id, and the rebuilding of the slaughter houses was postponed. It appeared that on the 2nd June, Moslems with *chavis* and *lathis* demolished a portion of the wall that was constructed. Three Mahomedans were killed, and 23 wounded, eight seriously. No Hindu casualties were reported. The local authorities immediately sent additional police and an order under Section 144 of the Criminal Procedure Code was promulgated. Quiet was subsequently restored.

5th. Situation in Bombay:—After three weeks of ceaseless bloodshed, arson and loot in which nearly 2,00 were killed, Bombay City was quiet for two days. Again on the 5th June, one was killed and 6 were injured as the result of communal strife, when pedestrians were again assaulted and a Hindu sweet-meat shop was looted by Muslim hooligans. Stray assaults continued in the night and a Pathan was set upon by a Hindu crowd. The Pathan was rescued by the police who had to open fire on the defiant crowd, injuring two. Fifty persons were arrested to-day.

Bombay Non-Brahmin Conference:—The fifth session of the Bombay Provincial Non-Brahmin Conference was held at Bassein near Bombay, Mr. B. V. Jadhav, ex-Minister, presided. Mr. Jadhav observed that the policy of striking first and striking hard had resulted in making the Congress stronger. The waverers among the Congress workers had been turned into devoted adherents by the "hasty and high-handed policy of the Government." The Conference passed resolutions expressing regret that not a single member of the party in the Presidency had been nominated to any of the R. T. C. Committees and, urging fair representation of Non-Brahmins in the services in general and in the Indian Civil Service in

particular and declaring that no member of the party shall be a member of any other political organisation.

6th. Howrah Political Conference banned:—Mr. Jalaluddin Hashemi, M. L. C., President of the third session of the Howrah District Political Conference, was sentenced to four months' rigorous imprisonment and a fine of Rs. 50 in default to six weeks' further imprisonment by the Sub-Divisional Officer, Howrah, for violation of orders under Section 144, Cr. P. C. Mr. Kalabaran Ghosh, Secretary of the Reception Committee, was sentenced to 15 months' rigorous imprisonment, and a fine of Rs. 100, in default to three months' additional imprisonment for defiance of an order under the Emergency Powers Ordinance.

7th. C. P. Political Conference Banned:—Judgment in the cases against prominent Congressmen who participated in the C. P. Political Conference were delivered. The counsel for the prosecution pressed for heavy fines in all cases and said that the fines alone would meet the ends of justice. Mr. Ghanashyam Singh Gupta, president-elect, was ordered to pay Rs. 1,500. Mr. Thakur Chhedilal, Barrister, who presided at the conference session, was fined Rs. 1,000. Mr. Chhaganlal Bharuka, Chairman of the Reception Committee, was fined Rs. 750 while the Secretary Mr. Deshpande was fined Rs. 100 and his successor Udhoji Rs. 750.

8th. Muslim Conference Working Committee and the Lothian Report:—The Working Committee of the All-India Muslim Conference met in Simla to-day. The Committee considered the Lothian Report and was of opinion that the recommendations, if carried into effect, would create a segmentation of the electorate to such an extent as would render the Provincial and Federal legislatures unworkable. The Committee was opposed in principle to the creation or perpetuation of special constituencies. Should it be necessary to maintain special constituencies the Committee would agree to them if they are for only the transitional periods and if the Muslims are given a share in such constituencies in proportion to their representation in all the legislatures. "While the Committee recognises the need for the protection of all minor minorities", it says "that any scheme regarding minor minorities which has the effect, direct or indirect, of reducing the Muslim quota in the provincial and central legislatures will be totally unacceptable to it. The Committee was of the opinion that the seats allotted to the Frontier and Baluchistan in the Federal legislature were inadequate.

10th. Sind Provincial Conference banned:—Seventy persons including eight women who were arrested in connection with the holding of the Sind Provincial Conference, were convicted by Mr. W. N. Richardson, City Magistrate, Karachi, and sentenced to four months' rigorous imprisonment each. Five apologised and were released on giving an undertaking not to participate in Congress activities. Four boys were awarded six stripes each.

12th. Bomb thrown on District Magistrate at Rajbari:—A bomb was thrown at the District Magistrate, Rai Bahadur Sureshchandra Bose, and the Police Superintendent Mr. Habibur Rahman, just when the train left Rajbari Station, E. B. Railway, en route to Faridpore. The bomb which missed aim, hit the next compartment, which was empty, smashing the wood work and windows.

13th. Punjab Political Conference banned:—For disobeying the District Magistrate's order limiting his activities to the Lahore Municipal area, Ramdev Acharya, President of the Punjab Political Conference who was arrested on his way to Amritsar, the venue of the Conference, was sentenced by Mr. Lewis, Additional District Magistrate, under Section 21 of the Emergency Powers Ordinance, to 18 months' rigorous imprisonment and to pay a fine of Rs. 100, in default to undergo three months' additional imprisonment.

Military operations against Terrorists in Chittagong:—Getting certain information, Captain Cameron, with a small military party, raided the house of the late Nabin Chakravarty in the village of Dhalghat, four miles north of the Patiya military camp, to-day. While they were trying to secure some suspects in the upper storey of the mud-walled building, an armed revolutionary pushed back the Havildar and shot dead Captain Cameron. The revolutionary was pursued by the Gurkhas and shot dead. Another revolutionary

fired at the police party from the house, to which the police replied. Two women and one youth were arrested from the house. The body of Nirmal Chandra Sen, one of the Chittagong armoury raiders, was found in the house.

- 19th. Police firing in Meherpur:**—One person was killed and several injured as the result of police firing during a disturbance in Meherpur. The disturbance was stated to have followed the attempt to hold the Nadia District Political Conference. The official version of the incident said that an excited mob three thousand strong attacked the Sub-Divisional Officer and several other officers. The police then fired ten rounds as a result of which one died and five were injured.
- 21st. Mr. Deshpande arrested:**—Mr. Gangadhar Rao Deshpande, Karnatak Congress leader and President of the All-India Congress Committee, was arrested in Belgaum by the Deputy Superintendent of Police, under Ordinance No. 2 of 1932. He was lodged in the Hindalga jail as a detenu. His house was also searched by the police.
- 28th. Communal Riots again in Bombay:**—Communal riots re-commenced in Bombay, necessitating in some cases the opening of fire by the police. The trouble started in Golpitha where a number of pitched battles between Hindu and Moslem mobs raged. The police had to open fire a number of times to disperse the rioters. The trouble then spread over a much wider area, including the mill area and was accompanied by looting and arson. A Mahomedan funeral procession taken out through the Kalbadevi Road, a prominent Hindu locality in spite of the warning of the police led to a serious clash necessitating police firing. Consequent on the attempts of Mahomedans to defy police orders by persisting in taking out funeral processions along Kalbadevi Road and other Hindu localities, which resulted in serious clashes between the two communities the Police Commissioner issued an order specifying the route for funeral processions of Mahomedans. A curfew order was re-introduced. The military was called in and placed at strategic points in the riots area.
- 29th. Convictions in Calcutta Political Conference:**—Shrimatis Susamadevi and Suramadevi were sentenced to four months' rigorous imprisonment and a fine of Rs. 30 in default one month more each for attempting to hold a political conference in Howrah on 26th June. For the same offence, two Congress workers were sentenced to six months' rigorous each and one to five months' rigorous. All were fined rupees thirty in default one month's further imprisonment.
- 30th. Kaira Political Conference:**—The police arrested at Nadiad about 1,000 persons including 300 ladies in connection with the Kaira District Political Conference which was announced to be held there. Mr. Maganlal Patel, President of the Conference, was also arrested. Many persons were also detained from Nadiad railway station as they alighted from train as they were believed to be going to attend the Conference. It was also reported that several processions were taken out but were dispersed by the police by a cane charge as the processionists refused to disperse.
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INDIA IN HOME POLITY

January—June 1932

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INTRODUCTION

1. THE CLOSE OF THE SECOND R. T. C.

The year 1932 opened under circumstances in India immensely interesting in their context and piquantly dramatic in their appeal. The Second Round Table Conference with Mahatma Gandhi as the sole Congress representative sitting in it had already closed its session. The British Premier had as usual made his last speech reiterating the ideal to be pursued and policies to be followed in the framing of a future constitution for India. But the ideals had not assumed a definitely tangible shape and the policies a consistently agreed outline either in that speech or in the White Paper which purported to embody the results of the Conference. The session had been momentous not for the solid greatness of the results achieved, but for the width and depth of the interest created by reason of the Congress participating in it through Mahatma Gandhi. Though the Congress representative had been sincere in his desire for cooperation and spoken with his characteristic moderation, his demands on behalf of the Congress had left no illusions in any quarters as to the entrenched position of the vanguard of political thinking in India. Gandhiji had taken his stand substantially on the mandate he had received from the Congress. The British reply to this had not of course been a definite "No". For there had still been a talk of a "transition period" during which only Defence and Foreign Relations were to be reserved as Crown Subjects; and though certain safeguards in regard to India's financial obligations, security of the Services, rights and interests of the minorities, commercial indiscriminate, and steady working of the constitution had been stressed with unrelaxed insistence, it had still been affirmed that safeguards, effective as they must in every case be, were to be "in the interest of India." So there had not been a definite break from the position of the Delhi and Simla Settlements. Nevertheless the Congress delegate had made clear the divergence between the Congress view point and that of the British delegates representing the British parties. Whatever might have been the Diehard mentality or even the average Conservative mentality with regard to the character, duration and future prospects of the British governance of India, there had at least been a substantial unanimity in the Conference and also in the utterances of responsible statesmen in England and India about the ultimate pattern to which the Indian constitution was to be made to progressively conform—equal partnership with other members of the British Commonwealth of Nations. It was thought that the Congress—though it had adopted independence as its goal—would make no difficulty about the ultimate pattern if it gave the substance of independence. But it was also made clear that not only the ultimate pattern must be real and substantial to be acceptable by the Congress party, but that the constitution to be immediately set up in India must conform to or reproduce the ultimate pattern in a real and substantial measure. It was recognised by the Congress school of thought that the

transference of power and responsibility from British hands to Indian would inevitably require some time and necessarily involve certain reservations and safeguards to begin with; but it contented that, firstly, the minimum of time required for effecting transference should *ab initio* be defined; and, secondly, that the reservations must be such as not to swallow either central or provincial responsibility; and, thirdly, that the safeguards must all be clearly and demonstrably in the interest of India. In brief, the Congress would steer clear of the dilemma of Mr. Churchill—if the safeguards be effective, self-government is a sham; and if self-government be real, the safeguards are a sham—by trying to make the proposed safeguards primarily and effectively subservient to the needs of real self-government in India.

II. THE DILEMMA : HOW IT COULD BE SOLVED

It may be conceded that some British statesmen also were honestly anxious for a solution of the Indian Problem that might steer clear of the dilemma. They honestly believed that the reservations and safeguards were needed as much for India as for Britain; that without the expert control and supervision of the British Parliament exercised through the Governor-General over certain vital matters of the Indian administration such as Defence and Foreign Relations, and without the checks and balances of the safeguards, the new experiment of democracy in India would be sure to end in the production of a state of affairs not far removed from anarchy and confusion. In that event not only all the vested interests of Britain in India would be ruined, but the vital prospects of Indian Progress itself would be jeopardised. British mind has for a long time nursed itself on the gospel of the sacredness of the Indian trust and Britain's mission in India; and it would be only just to concede that the gospel had, and still has and will continue to have, many honest adherents inside and outside of government. In conformity with this habit of thinking in regard to the fundamental needs of order and progress in India, certain propositions are held to be nearly self-evident by the average Britisher: First, India is not, and for a considerable period will not be, in a position to undertake her own defence against foreign aggression and internal commotion without the expert assistance and supervision of the British Army and Navy, and that Indianisation of the Army and transference of military control must, therefore, be a slow and cautious process. Secondly, in view of the political backwardness of the Indian masses and great diversity of races, classes and interests, the new experiment of democracy in India must be undertaken with the utmost care and caution, reserving substantial powers in case of emergency in the hands trained and experienced in the art of ruling and maintaining order. Thirdly, certain powers should be likewise reserved in the hands of the present rulers to safeguard the interests of the minorities in view of the existing communal antagonisms and possible encroachments by the future majorities in power. And, fourthly, conditions must be satisfied for the due discharge by India of her financial obligations and for the maintenance at the proper level of the financial credit of India in the world market. These are the first principles which the average Britisher accepts without doubt and question and it is upon the foundation of these principles that he will consent

to build any structure of Indian swaraj. He thinks that he can not usefully and even honestly cooperate with a party in Indian constitution-building which does not, and will not, admit these first principles.

III. CONGRESS POSITION AND THE FIRST PRINCIPLES OF GOVERNMENT

The Congress had not accepted these as first principles when it had consented to be a party to the second Round Table Conference. The Government knew that it had not done so. Still each party hoped that a frank and unreserved talk over the table would enable either party to see and appreciate the reasonableness of the position of the other. The British members hoped that by such discussion the Congress would be converted into a practical acceptance of their first principles; and Gandhiji also hoped that by such discussion the way might be laid for an understanding in the responsible quarters of the Indian nationalist position that India is not only eager but fit and ready now to undertake the responsibility of managing her own affairs, and that the necessary transference of responsibility from British hands should be effected with the least possible delay and a minimum of temporary reservations. Take for example the question of Defence. The Congress did not ask the British officers and men to forthwith leave India, but to serve under a responsible and democratic Indian government—assist that government in the all-important task of building its own national militia—army and navy and air-force; it being definitely settled that both the Indian military policy and the military budget will be under the control of a cabinet responsible to the Indian legislature. But British statesmen could not see their way to abdicating this control in the immediate future. Both military policy and military budget will continue to be under the control of the British Parliament exercised through the Governor-General of India. We may have Advisory Military Councils acting on the basis of usage and convention; and, if necessary, arrangements may also be made for keeping the transferred and reserved branches of the government in touch with each other; but the Viceroy's responsibility for the Crown Subjects, especially Defence, can not be whittled down and rendered dubious in any case. As regards the question of Indianisation, the Sken Committee and Rawlinson Committee and so forth had held enquiries and made their reports, but Government cannot bind itself to their recommendations—in other words, Government cannot commit themselves to any fixed time table in advance or any cut and dried scheme of Indianisation. Now these being the relevant view points, the Congress and Government could hardly be expected to move out of their respective fundamental position and meet each other half way. As in this matter, so in the other matters of Foreign Relations, Finance and Home Administration. In short, Government could cooperate with the Congress only on the basis of the first principles as embodied in the December White Paper of 1931. So though that White Paper had left many questions still open, had sent out several Committees to India to study the Indian problem first-hand and devise ways and means, and further, had foreshadowed a third and final session of the R. T. C. "to sign, seal and deliver" the deed of agreement to the British Parliament for decision and action, it was evi-

dent that the Congress and Government were already at the parting of ways when the second session of the R. T. C. broke in December 1931.

We need not refer again to the Communal Problem which had proved to be a veritable rock on which the Ship of the second R. T. C. had come to grief. Even the great influence and earnest endeavours of Gandhiji had been of no avail to produce communal amity and agreement in London. On the contrary, differences had been accentuated rather than attenuated in the second session of the R. T. C. In fact, there had been a Minority Pact against the position as taken by the Congress delegate regarding communal solution. There was the humiliation of the Indian delegates failing to put their house in order, and therefore having to await in a purely domestic affair the arbitration by an outsider in the form of what was called afterwards the Communal Award.

IV. THE SITUATION BEFORE GANDHIJI'S LANDING

Nor need we refer again to the intensely acute situation in some of the provinces in India when on the 28th. of December Gandhiji landed in Bombay. Menacing storm clouds had been gathering on the Indian sky for a long time past, and it required no shrewd observer of men and things to forecast that a thunderstorm was about to break in fury. There was the agrarian trouble in U. P. which had already passed beyond the chance of cure by diplomacy and negotiation and had to be dealt with by an heroic surgical operation—the U. P. Instigation Ordinance. The Red Shirt activity in the Frontier Province and the Terrorist activity in Bengal had also called for similar heroic and drastic measures from the Executive Government. Many of Gandhiji's trusted colleagues had already been clapped into prison. In brief, when Gandhiji landed in Bombay, he found that the Delhi Settlement was all but dead, and what remained for him to do, as the joint parent of that Agreement, was to wait for a few hours till the corpse were laid, with or without ceremony, on its funeral pyre, and he asked to perform the last obsequies.

V. HIS WIRE TO THE VICEROY

On December 29 he sent a wire to the Viceroy in which he said that he had been unprepared for the turn of events in India during his absence in London. He referred to the Frontier and U. P. Ordinances, shooting in the Frontier and arrests of valued comrades in both the Provinces, and added that on the top of all this the Bengal Ordinance awaited him. Naturally he found himself in a position of perplexity. For though he had not been able to subscribe to the principles of the White Paper issued in London, he had come back not minded to give battle, but to strive to explore every possibility of offering further cooperation. In that telegram he expressed his sense of perplexity in these words : "I do not know whether I am to regard these as an indication that friendly relations between us are closed or whether you expect me still to see and receive guidance from you as to the course I am to pursue in advising the Congress." These words should not from any angle of vision lend themselves to a construction indicating that Gandhiji was already in a war mood, and that he was merely

waiting for a formal gesture from Delhi to tear up the Agreement. The language of the telegram was as plain as any language could be that Gandhiji was still eager to see the Head of Government and seek guidance from him as to his future course. What he said amounted to saying that his advice to the Congress would be given in the light of, if not in actual conformity with, the guidance he received from the Viceroy.

VI. THE REPLY

The reply to this telegram was sent by the Private Secretary to H. E. the Viceroy on December 31. The reply while asking for cooperation from all parties said that cooperation must be mutual and observed—"Government cannot reconcile the activities of the Congress in the United Provinces and the Frontier Province with the spirit of frank cooperation which the good of India demands". The reply after referring to the emergency measures that had to be adopted in the U. P. and N. W. F. Provinces in view of the exceptional circumstances existing there (for which the Congress Committees concerned were held to be largely responsible) made certain observations in the concluding paragraph which were widely felt as unfortunate, and which even the staunchest cooperators and friends of Government thought had better been left unsaid. We quote the whole of that paragraph: "You have yourself been absent from India on the business of the Round Table Conference, and, in the light of the attitude you have observed there, His Excellency is unwilling to believe that you approve of the recent activities of the Congress in the United Provinces and in the North Western Frontier Province. If this is so, he is willing to see you and give you his views as to the way in which you can best exert your influence to maintain that spirit of cooperation which animated the proceedings of the Round Table Conference, but His Excellency feels bound to emphasise that he will not be prepared to discuss with you any measures which, the Government of India, with the full approval of His Majesty's Government, found it necessary to adopt in Bengal, the United Provinces, and the North Western Frontier Province. These measures must, in any case, be kept in force until they have served the purpose for which they were imposed, namely, the preservation of Law and Order essential to good government."

VII. SOME ASPECTS OF THE REPLY

It was very widely felt even in quarters outside the Congress circle that the Government of India ought not to have so unceremoniously banged the door in the face of Mahatma Gandhi by imposing the two conditions to which he as a man of proved honour and as the responsible leader of the Congress party could not be expected to submit. It was thought that it would have been more polite and more politic if Gandhiji had been granted an unfettered interview with the Viceroy in which the two persons could have placed all their cards on the table and talked the matter over freely between them. It was thought that a frank and face to face discussion of the situation and the government measures adopted in relation thereto would have gone a long way in easing the situation and minimised the chances of a renewal of Civil Disobedience. Gandhiji had sought the interview as a seeker of light and

guidance, and he had made no conditions, showing that his mind had not been made up as regards the course he was to follow or the line of action he was going to advise the Congress to follow. He was open to conviction and correction. The die had not been cast irrevocably on his side in spite of the Red Shirt activities in the Frontier Province and No-Rent activities in the United Provinces. Whatever might have been the influence of the fire-brands and left-wingers in the Congress camp, Gandhiji's influence was greater, and if he could be convinced of the justice and fairness of the Government case, the probabilities were ninety-nine to one that he would have been able to convert the Congress majority to his view point and make it obey the word of command of its General if it cried "Halt". It was thought uncharitable to the great leader to assume in advance that he would consent to play the puppet in the hands of the extremists in his camp who had been smelling the intoxication of battle and snorting fire like impatient gallant steeds of war. Gandhiji's antecedents in London should also have inclined one to think that he had come back to India as a harbinger of peace and cooperation rather than of war. All his utterances and actions during his temporary absence from India in connection with the business of the R. T. C. had shown him no doubt as a valiant champion of the Congress cause, but they had also shown him as essentially a man of peace and a co-operator by temperament. Some misleading insinuations—for example an Italian report—purporting to give out that he had had enough of co-operation and negotiation, and that he was determined to renew Civil Disobedience, he had taken care to promptly repudiate. There had no doubt been a talk of "sacrificing a million lives if need be"; but whatever that might or might not mean, it did not mean to the man in the street that Gandhiji was going, just after landing on the Indian soil, to call for a non-violent army of a million men and forthwith give battle to the powers that be. Possibly that statement or similar statements meant that the possibility of a renewal of Civil Disobedience in the event of the Congress demands not being in substance conceded was not dead; but it was not thought that Gandhiji was eager to revive what had been suspended. His eagerness was rather in the other way. It was therefore regretted even by many moderate men and women not subscribing to the Congress gospel that Government had not seen its way to granting to Gandhiji the interview he had sought for clear of restrictions.

VIII. GANDHIJI'S REJOINDER TO THE REPLY

On January 1, 1932, Gandhiji sent his rejoinder to the reply from Viceroy. We will again quote a few lines from the rejoinder: "I had approached as a seeker wanting light on questions in which I desired to understand the Government version of the very serious and extraordinary measures to which I made reference. Instead of appreciating my advance, His Excellency has rejected it by asking me to repudiate my valued colleagues in advance and telling me that, even if I had become guilty of such dishonourable conduct and sought for an interview, I could not even discuss these matters of vital importance to the nation." Gandhiji then proceeds to refer to the situation in the Frontier Province, and says that no *prima facie* warrant existed there for the passing of

the "extra-legal Ordinances", deportation without trial of Khan Saheb Abdul Gaffar, and other drastic measures including shooting. There might be, says Gandhiji, three hypotheses as to the offence committed by the Khan Saheb. He might have claimed complete independence as the goal of the nation. But the Indian National Congress had also done so (Lahore, 1929). The Government had not taken exception to it. The Congress mandate too had pressed the same demand, and no body had gagged him in London while he had been reiterating that demand. If the Khan Saheb had refused to take part in the Durbar, that refusal by itself constituted no offence; demanding summary imprisonment. If, lastly, the Khan Saheb had been guilty of promoting or fomenting racial hatred, the proper course would have been to drag him through the prescribed ordeal of an open trial.

IX. THE GOVERNMENT POSITION WITH REGARD TO EXTRAORDINARY MEASURES

The Government answer to this it should not be hard to guess. When and so long as normal conditions prevail in the land, it is expedient to let the ordinary laws of the land run their ordinary course; but when and to the extent that, extraordinary circumstances arise which, if not promptly and resolutely met, threaten to go beyond control, extraordinary measures have necessarily to be adopted by executive action, if not by legislation. The maintenance of Law and Order which supports the fabric of the State and Society, the primary concern of every government: any measure and every procedure is or is not justified according as it does or does not simplify the primary task which any government worth the name must have in view. So long as ordinary law and ordinary procedure suffice to achieve this end, government need not think of going beyond them; but when they do not suffice, and the virulence of the disease calls for drastic measures, it will be simply suicidal for any government to sit idle or to hesitate to take adequate extraordinary powers to deal with the situation. Now, consistently with this first principle of governance, the Government of India took an extraordinary step in the Frontier Province when the situation there was sufficiently grave, and when it was evident that it would have been graver if timely action had not been taken to cope with it. In a situation of great commotion and stress, it was expedient to arrest the activities of the leaders of the trouble, and, to remove the prime mover himself from the scene of his disturbing influence. To drag him through a protracted trial on the spot was to keep him before the foot-lights on the stage: it might result in putting a premium on the very disturbing influence that he might have wielded and exercised. In short, the Government of India acted precisely upon this principle when 2 or 3 days later the greatest prime mover himself was removed from the scene of his action and clapped into the Yervada Jail.

X. THE NEED OF CAUTION IN THAT POSITION

Students of politics will not all accept this political philosophy *in toto* but none perhaps will say that it is the philosophy of tyrants and despots only which no liberty-loving fellow would care to touch with a pair of tongs. Abnormal diseases call for abnormal remedies! no doubt.

But every good doctor would make sure that his remedy prescribed does not prove worse than the disease. There are some remedies that may have the effect of suppressing some of the surface manifestations of the disease, but which either do not touch the root causes of the disease or have the effect of aggravating them. In having to deal with a widespread and deep-rooted popular distemper, quack remedies, specifics and "miracles" have especially to be beware of by the pundits of the complicated healing art of government. By removing a prime mover and arresting his colleagues or associates, certain superficial manifestations of the trouble may be for a time allayed. But the question will remain and will have to be faced—Have we not stopped the safety valve of the simmering boiler and made its very sullen silence the condition and index of its reaching the point of danger? Will not our measures have the effect of deepening the discontent and driving it underground as the phrase is? We may assume that the Government kept themselves awake to this possibility; for, we found them following what Sir Samuel Hoare called a Dual policy with reference to the situation in India—proceeding with the constitutional business in the R. T. C., and taking all measures, drastic or otherwise, extraordinary or otherwise, for the preservation of Law and Order and respect for them. It is true that a Dual policy came in right earnest to be pursued—and it had not been pursued half-heartedly before now—but it was widely thought that its results were at least of a dubious nature. We shall advert to this later.

XII. OTHER MATTERS IN GANDHIJI'S REJOINDER

Gandhiji in his rejoinder referred also to the cases of U. P. and Bengal. In the first, he thought that there had been a misunderstanding of the motives and actions of the Provincial Congress Committee by the Government. Congress had neither sanctioned nor encouraged a no-rent campaign in the U. P., but had only advised under certain circumstances suspension of the payment of dues pending negotiations; and that Mr. Sherwani on behalf of the Congress Committee had even offered to withdraw this advice if the U. P. Government on their own initiative should have suspended collection of dues in view of the sad economic plight of the peasantry in the United Provinces. Gandhiji thought that any Government jealous of the welfare of the masses in its charge would rather welcome the voluntary cooperation of a body like the Congress. As regards the terrorism in Bengal, Gandhiji assured the Government of the whole-hearted cooperation of the Congress in their attempt to stamp it out by all proper means, but the Congress, he said, would have none of the Ordinances which he characterised as "measures of legalised Government terrorism." He agreed with the Viceroy that cooperation must be mutual, but added—"Your telegram leads me irresistibly to the conclusion that His Excellency demands co-operation from the Congress without returning any on behalf of the Government. I can read in no other way his peremptory refusal to discuss these matters which, as I have endeavoured to show, have at least two sides. The popular side I have put as I understand it but, before committing myself to a definite judgment, I was anxious to understand the other side, that is, the Government side, and then tender my advice to the Congress."

XIII. HIS APPEAL FOR RECONSIDERATION

Then having reaffirmed his position that he had sought for an interview with an open mind and a deliberate intention of receiving guidance, he made an appeal for reconsideration by the Viceroy, which, as regards its sincerity and earnestness, it would be hard to beat. We quote the entire paragraph : "If it is not yet too late, I would ask His Excellency to reconsider his decision and see me as a friend without imposing any condition whatsoever as to the scope and subject of discussion, and I, on my part, can promise that I would study with an open mind all facts that he might put before me. I would unhesitatingly and willingly go to the respective Provinces and with the help of the authorities study both sides of the question, and if I came to the conclusion after such study that the people were in the wrong and that the Working Committee, including myself, were misled as to the correct position and that Government was right, I should have no hesitation whatsoever in making that open confession and guiding the Congress accordingly."

This, we may say, was generally perceived to be a sound position. Every public man has the right, in cases of doubt and perplexity, to approach the authorities, and seek light and guidance from them, with a view to making the bearings of his position and that of his party clear and precise. Authorities on their side should not shirk the duty which rests on them as custodians and guardians of the interests and rights of the public to seek the advice and assistance of especially those leaders who wield influence over, and command the confidence of, the public. They should welcome such advice and assistance from any responsible quarters, and should be eager to have it and profit by it when it is voluntarily offered by a great and well-intentioned leader like Mahatma Gandhi. This is almost a commonplace of the art of government, and it was therefore very widely felt that Gandhiji's manifestly sincere solicitation for an unconditional interview with the Viceroy at a critical juncture should not have met with an almost ungracious rebuff.

XIV. APPEAL ACCOMPANIED BY "THREAT"

But at the same time it was thought by many outside the ranks of the fighters and the fighting line, that this appeal for co-operation should not have been allowed by Gandhiji to go accompanied by a "threat" of renewal of Civil Disobedience in the event of Government not agreeing to see him and discuss business with him with a view to coming to a settlement—possibly, a third Settlement. It was thought that it would have been better if Gandhiji had asked for an interview unrestricted by any conditions on his part, without laying down any "limitations" or conditions. Why did he make that occasion the occasion for reiterating his belief in Civil Disobedience "as the natural right of the people" and as "an effective substitute for violence or armed rebellion"? Had there been ever a question that such was at least his belief? Had not his belief been given expression to from hundreds of platforms and in hundreds of articles? Had not Government been

fully aware that Gandhiji was the apostle of Civil Disobedience, and would have advocated it and adopted it when all other methods should have failed him? As regards the plan of a fresh campaign of Civil Disobedience tentatively adopted by the Working Committee Resolution forwarded to the Viceroy, there had not also been in any cognisant quarters the least shadow of a doubt that a further trial of strength between the Congress and Government would have been the inevitable consequence of a rupture in the truce between them. The truce and the Settlement which had ushered it had only shewn that hitherto the two parties had fought what in current chronicles was recorded as a "drawn battle". Each party would have therefore pushed it to decisive results in case they failed to consummate the truce into lasting peace. There had not been any illusions anywhere as to the consequences of a rupture. By entering into a truce, Government had not abdicated its authority nor disowned the methods whereby it thinks that authority should be maintained; and on the other side, neither had the Congress turned down its goal of independence nor repudiated its method of civil disobedience. Each party had kept its lines of defence in tact. Every body knew that they had done so. That paragraph therefore, in Gandhiji's telegram which referred to his "provocations" and forwarded the defensive and offensive programme of the Working Committee, was considered by many as not only a needless superfluity, but as a diplomatic error, absolutely brushing away the already slender chances of an amicable settlement with the Government. The Resolution of the W. C. was no doubt a tentative one, and was intended to have effect only in case Government did not see its way to accede to the Congress leader's request for an absolutely unfettered interview. Nevertheless the forwarding of a fighting resolution together with friendly overtures for cooperation ("seeking light and guidance") was, naturally, interpreted in the official, and we may add, in some non-official quarters, as dangling the threat and menace of a fresh offensive in case Government did not mend or end its policy in accordance with the "advice" given by the Congress. To the official mind, Gandhiji's telegram carried within its cover of friendly overtures a live bomb timed to burst on certain conditions not being fulfilled by the receiver, and set his whole estate in conflagration. Gandhiji was carrying no doubt a spotlessly white flag, but inside the scanty folds of his equally spotlessly white loin cloth he was also rattling a non-violent sword. Every body knew the existence of the non-violent sword, and many were even prepared to concede that the sword had during the previous trial of strength proved its metal up to the hilt; but it was not expected that Gandhiji of all persons would allow it to shake in its trusty sheath and rattle, while he was knocking, after his return from England, at the Viceregal Lodge with an olive branch in hand. It made the inmates of that Lodge not only wary and suspicious, but determined and resolute. Possibly, the previous attitude at that place had been one of inclined hesitation if not one of actually ready response. But the Resolution of the Working Committee was quick to determine the Viceregal Lodge too into a resolution, namely, not to open its portals to a person coming as a "friend" but who might, according to all calculations, turn out an "enemy".

XV. THE RESOLUTION : ITS EFFECT.

The Resolution of the Working Committee dated January, 1, 1932, was a long one giving, firstly, the Congress version of the situation in the country including the Frontier Provinces where shooting with some casualties had taken place ; secondly, a denial of the proposition that the situation had been such as to demand and justify the promulgation of a number of Ordinances ; and, thirdly, a statement of the conditions under which the Congress was still prepared to render cooperation. This paragraph of the Resolution contained matters which, together with a fresh plan of Civil Disobedience sketched in the last part of the Resolution, decided the issue and reduced to nullity the Delhi Pact. "The Committee regards the Premier's declaration as wholly unsatisfactory and inadequate, and, in the terms of the Congress demands, opines that nothing short of complete independence, carrying full control of defence, external affairs and finance with such safeguards as may be demonstrably necessary in the interest of the nation, can be regarded by the Congress as satisfactory."—this part of the Resolution showed beyond every possibility of doubt that the Congress could not be expected to cooperate in the working of any Indian Constitution framed on the basis of the Premier's declaration or the White Paper. It is true that the Congress delegate in the second R. T. C. had been treated with every consideration, and he had not faltered in the position he had taken up on the Congress mandate ; but, as the Resolution proceeded to note, "the British Government was not prepared to regard the Congress at the Round Table Conference as entitled to speak on behalf of the whole nation." Then the Resolution proceeds to "say that the Committee is prepared to render cooperation to Government provided the Viceroy reconsiders his Thursday's telegram to Mahatma Gandhi, adequate relief is granted in respect of the Ordinances and its recent acts, a free scope is left to the Congress in any future negotiations and consultations to prosecute the Congress claim for complete independence and administration of the country is carried on with popular representatives pending the attainment of such independence."

Naturally, these words conveyed a meaning far from soothing to the susceptibilities of the Government. Government was asked, so it was thought, to pay a price to buy the cooperation of the Congress. Cooperation for what ? For the achievement of an object which, in the near future, Government did not, and still do not, believe as coming within the range of practical politics. As regards Defence and Foreign Relations, and partly also as regards Finance, Government did not believe that it would be possible in the immediate future to transfer responsibility to the elected Indian legislatures.

XVI. THE GOVERNMENT VIEW.

Government thought, therefore, that they were asked to pay the price for an impossible commodity. Moreover, the price they were asked to pay was such that no sane and no self-respecting government should be called upon, and should afford, to pay. It was to make terms with a body which asserted that deliberate defiance of law and order and constituted authority in the event of its having failed to

bring the Government to agree to its proposals, was, and must continue to be, its specific method. Government must be prepared to bargain with, and function under, a perpetual potential menace of lawlessness. The "advice" tendered by the leaders of a dominant party must have to be accepted as the ultimate sanction of all government policies and measures even during the period leading to the establishment of full responsible government in India. The Viceroy's cabinet must have its unofficial monitors, and His Majesty's Government in India must be made to behave and must function under the domineering shadow of a power behind the throne. Now, Government thought that it must resolutely say "No" when it was called upon to pay a price like this to buy the dubious commodity of Congress cooperation.

XVII. ASSESSING THE "PRICE".

The above is not perhaps an inexact rendering of the effect which the last portion of the second telegram of Mahatma Gandhi produced on the official mind. That it was so was reflected, and is still reflected, in many official statements and in the utterances of many responsible statesman from the Secretary of State downwards. Many persons outside officialdom have, however, thought that it would have been better if Government had assessed the price it was called upon to pay according to an altogether different scale of values. Those permanent values ought not to have been obscured by such comparatively ephemeral considerations as "lawlessness" by a certain popular party and "humiliation" and loss of prestige likely to be suffered by constituted authority. The entire machinery of constituted authority in India was in the process of being overhauled. In this job trained mechanics were cooperating with those who had never handled the tools, but who were impatient to have them and use them. It was also agreed that the machinery was primarily *their* concern, and that sooner or later, and rather sooner than later, the charge of the machinery would have to be made over to them. Those who had been in charge ought not of course to have retired in haste or in anger; but they *had* to retire nevertheless. It was part of their contract to ensure before retiring that the job was entrusted to trained and trusted hands. But it ought have been recognised as no less an essential part of the contract to ensure that the retirement took place with the minimum of delay and with the minimum loss of efficiency on one side and good will on the other. It has constantly to be borne in mind that it is the goodwill of the nation that supplies the motive power as well as maintains the real efficiency of the machine of government. The would-be engineers must of course pass through a period of probation. During this period of probation, three things must never be lost sight of. First, the probation should be as short as possible consistently with the requirements of safety and efficiency. Secondly, safety and efficiency in this case depend much more upon the measure of good will that can be secured of those vitally concerned in the business and the degree of their willing association with it, than on the number and stringency of the restrictions that may be laid by those already in charge in respect of the new-comers to the job. Thirdly the job is more directly, vitally and intimately the job of the "new-

comers" than of any other persons ; and this being undeniably so, it ought to be considered undeniable also that the chances are ninety-nine to one that the new-comers being actually placed in charge will wilfully neglect or spoil their job. Success or failure means life or death to them. And history has never taught the lesson of peoples coming to grief through the mere fact of trying to manage their own affairs.

XVIII. "POTENTIAL MENACE"

As wise and practical statesmen, therefore, those responsible for the conduct of affairs should have, on their side also, sought light and assistance from those most intimately in touch with the masses of people. On the popular side, there has existed in every country the perpetual potential menace of growing discontent and revolt that is an evil which all human institutions are heir to. On the Government side, there has existed the need and the desire to repress the manifestations of that discontent and maintain law and order. Now, this simple law of action and reaction should not, except in its very abnormal operations, be set up as a bogey before them by practical politicians. That masses of men may be discontented with any form of government, and may, under certain circumstances, express their discontent in some form of revolt, is a possibility which always remains, and government need feel itself peculiarly unfortunate to be confronted with this permanent possibility. On the contrary, discontent has very often been regarded by sound political philosophy as the leaven that works in the bosom of every state enlarging the rights and liberties of the people.

XIX. THE CASE IN POINT

To come to the case in point. If the British Government could not admit the credentials of the Congress entitling it to speak for the whole nation, they could, and as a matter of fact, did recognise it as a great and powerful organisation embodying the wishes and aspirations of a considerable section of the people. The epithet 'great' had been used by Lord Irwin himself. Now, the possibility that this great organisation would or might under certain circumstances resort to direct action was no more and no less than the possibility of intensive popular agitation which confronts all governments. The potential menace is perpetually there : now greater now less. Now on the surface, now in the depths. Sometimes the manifestations of the menace grow less and less, yet the menace is, all the time, possibly gathering strength within. The *agent operandi* as well as the *modus operandi* may change. The Congress had resorted to direct action on two previous occasions. That action had either "died a natural death" or been suppressed or treated with. But its death had not proved death, and its suppression. It had already been rearing its head when Mahatma Gandhi returned from the R. T. C. The mere fact that it was still alive need not have upset Government. Now, Gandhiji's second telegram only reminded, so it was thought, Government that it was alive. Government need not have taken far too serious a view of it. As a matter of fact, Government had not taken too serious a note of it during the fateful days of the Delhi and Simla Settlements. Gandhiji had made it quite clear then that direct action by the Congress had only been suspended. Government had not, appa-

rently, looked askance at that. But then, as the official statement issued after the arrest of Gandhiji said, the conditions had been different. Government had hoped that the Congress would appreciate the conciliatory gesture made by the Government of Lord Irwin in making a settlement with it; that it would appreciate the earnestness of the appeal made by the Head of the Indian Government to Mahatma Gandhi to give up the barren method of non-cooperation and try the fruitful one of collaboration in the business of the Round Table Conference; that in the light of the discussions in the R. T. C., it might be induced to bring down its aspirations to the realm of practicalities, and accept a plan of constitutional advance in India acceptable to all the interests concerned; and that in the event of this hope not being fulfilled, the Congress would at least perceive the unwisdom of renewing civil disobedience and disturbing peace during the course of constitutional deliberations, in which parties and interests other than the Congress were vitally involved. But, unfortunately, these hopes had not been fulfilled. Gandhiji had not accepted the White Paper as the basis of Indian Constitution building; and the Congress had not suspended its preparation for the "next war" and had not desisted from fomenting trouble in the Frontier Province, in U.P., and in Bengal during the period its representative had been in the midst of peace parleys in London. Under these circumstances, the menace of civil disobedience could not be dismissed as merely an abstract, theoretical menace, and Government could not help taking a serious note of the hypothetical threat of renewed civil disobedience contained in the second telegram of Mahatma Gandhi.

XX. QUESTION OF RESPONSIBILITY.

It is of little use now to revive the controversy as to the question—With whom did the responsibility lie for renewing the hostilities that had been suspended by the Settlement? "War guilt" has never been an easy matter to settle, and it has taxed the conscientious fairness of history more than anything else to adjudge and award it. We had before now referred to the charges brought by the Congress party that the Government had not been fulfilling their part of the "contract" very satisfactorily, and that they had been taking advantage of the truce to cripple Congress organisations. Official statements not only denied this, but made the counter charge that the Congress had been taking advantage of the truce to consolidate its position and make active preparations for the "coming war". Perhaps it would be better if we simply let alone the charges and the counter charges. The fact of the matter seems to have been this that neither party trusted the other. The Congress thought that it could not get away from the following facts and surmises: that officialdom had never liked the Pact which had seemed to it like treating with elements of disorder and lawlessness; that British statesmen of all parties had regarded the Congress claims of complete independence and so forth as verging upon sheer absurdity as a practical proposition bearing on the near future; that the emergence of the National Government in England with the overwhelming Conservative majority behind it would rather stress the need of effective safeguards and of resolute government than that of relaxing control over the vital points of the

machinery of Indian government; that during the course of the second session of the Conference itself, deep under-currents had been seen to cut away and narrow rather than consolidate and broaden the bases of the future Indian Swaraj; and both Whitehall and Simla had been silently but resolutely concerting measures to deal a death blow to the Congress, if should again challenge the power and authority of Government. The retort of Government to all this was of course of this that the change of Home Government had not meant a change of policy or of any inclination to go back upon the pledges made to India; that while Government were prepared as before to proceed steadily and swiftly with the work of framing a constitution for India; they were determined to treat any recrudescence of lawlessness with no more leniency and indulgence. In short, they were in no mood to be caught napping on their oars by a fresh whirl-wind of civil disobedience. Touching the larger question of the future Constitution, Government felt that they were convinced of two things: First, that the Congress party cannot be induced to accede to the reservations and safeguards as embodied in the White Paper, which all British parties had considered essential; and, secondly, that the Congress party would not be induced to give up its unconstitutional method of civil resistance or direct action in order to press its claims. The lesson of the truce and that of its participation in the R.T.C had been lost upon it. Another interview granted to Mr. Gandhi, and, possibly, a third settlement issuing from it, would not have virtually and, permanently improved the situation; it would have merely postponed the evil day. It would merely have dragged the Government through another spell of diminished prestige and damped spirits without producing any material gain whatsoever. It was considered wise, therefore, to lose no more time in parleying and pact-making with a party with which it had been found impossible to treat except on terms considered impossible and unreasonable by Government. The menace of civil disobedience was there, and it was considered best to give it a short shrift without further ceremony. This was thought of by many as a probable explanation of the Viceroy's first refusal to grant Gandhiji an unfettered interview. Sir Samuel Hoare, who was then at the helm of Indian affairs, was credited by Gandhiji himself to be a plain-talker. He was more than that: he was also a plain-hitter. He would have nothing to do with time-serving fictions and easy-going illusions. If his "just brute" had to be unmuzzled, he would unmuzzle it without further fuss, ado or ceremony. The psychology and the logic behind the latter part of Gandhiji's second telegram to the Viceroy were not also particularly obscure. The Congress Executive thought that with the swamping of the Labour Government in England, the hand of friendship and cooperation that had been extended to the Congress, would now be withdrawn, and that, Congress or no Congress, a constitution for India would be hatched mainly under a diehard and reactionary inspiration, and "constitutional greatness" would be thrust upon the political infancy of India under the beneficent offices of what was later called a "two-sided policy".

XXI. WHAT THE LOOKERS-ON THOUGHT.

Nevertheless, after everything has been said on either side, those

who have looked on have thought that it would have been better if Government had seen its way to grant Mahatma Gandhi an absolutely unconditional interview for the purpose of giving him the benefit of a face to face discussion on the undeniably acute situation in the country, and also, if necessary, the privilege of holding personal enquiries in the Provinces to satisfy himself as to the line of action he might be called upon to adopt at that most critical juncture of Indian history. It was to be remembered that he had come back not convinced of the utter futility of offering further cooperation, and that, whatever the "fire-eaters" might or might not have been saying, his voice in the Congress and in the country was still unquestionably decisive, so that if he decided on a pacific line of action, it was as sure as anything that *that* would have been the line of action for the nation as a whole, barring the probable case of those who believed in violent revolution. It would have been better, so it was thought, had not Government fired the first shot in its reply to the first telegram of Gandhiji. That first shot was regarded by many as a practical blunder of first-rate gravity. That first shot had not induced the Congress camp to lay down its arms. It is true that some of the lieutenants of Mahatma Gandhi had already shouldered arms while the General had not been at his wonted post; still they had been waiting for final orders. And in all likelihood the final orders to form and march would not have been given, or at any rate would not have been given presently, had not Government been in a hurry to fire its first shot and asked the "enemy" to surrender arms. It was undeniable that under the very acute conditions then prevailing in some of the Provinces of India, the suspense of the truce had been trying the patience and endurance of many in either camp; and that there had been an increasing eagerness in some quarters of either camp to "face the fire" rather than be in uncertainty. But still, it was thought, there had not been any urgent need or compelling factor to precipitate the struggle. If the Viceroy had seen his way to grant Gandhiji the favour of a free talk with him, it was just possible that a truce, more effectively maintaining a peaceful atmosphere than had been the case during the absence of Gandhiji in London, would have been ensured by Gandhiji's influence pending the preparation and passage of the Indian Constitution Bill through the British Houses of Parliament. No body of course had expected that this would have meant acceptance of the White paper or of the Bill framed on the basis of the White Paper by the Congress school of thought. It was probable that a day would come when the fire had to be faced. Yet there were certain advantages accruing from a prolonged lease of life given to the truce. Firstly, it was just possible that Gandhiji would have exerted his great influence in moderating the fires that had made the situation very hot for Government as well as the Congress, so that it would have been more humanly possible for Government to function in undiminished prestige and the Congress in unblemished honour. This would have meant the creation of the necessary peaceful atmosphere. Secondly, it would have stopped the resources of Government and also of the great political organisation in India being drained in men and money in these exceptionally difficult times. Thirdly, the taste of prolonged peace would have produced a natural disinclination for the

unsavoury bitters of "war". The cement of peace mentality naturally takes time to "set"; the plant of goodwill requires time to have its delicate roots well and firmly settled in the soil where it may be cultivated. It is never safe to try the cement or the plant before its time.

On the Congress side too, as we have seen, it would have been better, in the judgment of many, if the return shot had not been fired immediately after the first reply of the Government. The appeal for reconsideration should not have been allowed to be used as a wrapper for a live bomb—the resolution of the Working Committee. It would have shewn the strength of the organisation and not its weakness if at that moment it had refrained from rattling its non-violent sword in its trusty sheath. But perhaps there is a fatality not altogether amenable to reasoned control attending the passage of earthly events.

XXII. RETURNING THE FIRE

After the Congress Executive had returned the fire in the shape of its Resolution, the concatenation of causes and effects determining the subsequent course of events was fully and almost inexorably established. Practically no doubt remained as to what would happen next. Viceroy's second reply caused no surprise; that the offer of cooperation by the Congress under the hypothetical threat of Civil Disobedience should have been considered by the Government as impossible was a foregone conclusion. Viceroy's second reply was dated January 2. Amongst other things it said: "No Government, consistent with the discharge of their responsibility, can be subject to conditions sought to be imposed under the menace of an unlawful action by any political organisation nor can the Government of India accept the position implied in your telegram that their policy should be dependent on the judgment of yourself as to the necessity of measures which Government have taken after the most careful and thorough consideration of the facts and after all other possible remedies had been exhausted." Now, this last part of the telegram here quoted was considered by many impartial critics as not only un-called-for but as not being quite fair to the position taken up by Gandhiji in his two telegrams. As Gandhiji observed in his final telegram: "Nor is it fair or correct to suggest that I have ever advanced the claim that any policy of the Government should be dependent on my judgment. But I claim that any popular and constitutional government would always welcome and sympathetically consider the suggestions made by public bodies and their representatives and assist them with all available information about their acts or Ordinances of which public opinion may disapprove." Every sensible man would grant that this was a perfectly tenable position. As regards the threat referred to in the Viceroy's telegram, Mahatma said that it was only an honest expression of opinion"; that Civil disobedience had merely been suspended by the truce and never altogether given up; and he added: "Although I had made it clear that under certain circumstances the Congress might have to resume Civil Disobedience, the Government did not break off the negotiations." This, also, is perfectly true, and the Government knew as well as others that this was true. But then it was felt by many that the moment was not quite opportune for let-

ting the non-violent sword thus publicly rattle. The curve and contour of forces which determine the course of events show sometimes a rising peace mood and sometimes a rising war mood. When and so long as the former prevails, tolerance and forbearance characterise the dealings of parties with respect to one another, so that many causes of provocation and irritation are put aside with a mild shrug of the shoulders or glossed over with a bland, tolerant, smile. But when the latter prevails, every cause of provocation must be religiously guarded against if peace is to be maintained. During the first, the peace-maker moves with the current; during the second, against it. Wise men should, therefore, always take account of the nature and direction of the curve: should ask—Is the moment psychological and propitious for doing or omitting to do certain things? Now, when Mahatmaji landed in Bombay, the war curve had already been showing its dangerous gradient; the situation had been, according to all admissions, acute and, in fact, the offensive had already begun in some of the fields without either party having made a formal declaration of war. Such a moment was not certainly opportune for Government curtly refusing to see Gandhiji except on conditions, and the Working Committee insisting on satisfaction being rendered unto it under the hypothetical threat of renewed civil disobedience.

On January 4, Government issued a Statement on the situation created by the failure of these negotiations. The Statement gave a review of the Delhi settlement and of the circumstances connected with it. The Statement also complained that the attitude of the Congress after the Settlement had not been one of cordial and responsive co-operation with the Government, but that it had been mainly prompted by the desire to utilise the truce as a means of preparation for a further conflict, and of enhancing the prestige of the Congress as a privileged body standing out of the line of the general public and other organisations. Whilst the Statement assured that the British Government had given an undertaking "that they would make every effort to overcome as quickly as possible the practical difficulties in the way of its realisation" (that is, the scheme of constitutional Reform agreed to by the the majority in the R. T. C.), it also assured the public that if the struggle were then renewed, it was because the activities of the Congress in the meantime had goaded and precipitated it. As we have already discussed at some length the factors relevant to the renewal of the movement, we need not try to analyse the lengthy statement issued by the Government of India. We shall quote only a 'cardinal passage': "The main issue before Government was whether Congress were prepared or not to co-operate in further constitutional discussion and it was essential to ascertain their attitude and that of Mr. Gandhi towards the fundamental question. It was plain that there could be no co-operation in any accepted sense of the term so long as activities in the United Provinces etc, etc." It also referred to the Resolution of the Working Committee passed under the advice of Mr. Gandhi which threatened to make the possible menace of Civil disobedience an actuality in case Government failed to satisfy certain conditions laid down by Mr. Gandhi. Co-operation with the Congress under these terms could only spell abject abdication by Government of its very right to exist and function.

XXIII. THE INDIAN GOVERNMENT STATEMENT

The Statement like the second telegram of the Viceroy was not fair to Mr. Gandhi when it said that he wanted Government to accept conditions "which would make Mr. Gandhi the arbitrator of measures necessary for the maintenance etc." The Statement then proceeded to criticise the "creed" of Mr. Gandhi relating to the method of Civil Disobedience, and observed that in actual experience the pursuance of the method had been found to be attended with a great deal of violence. It added: "In using their full resources against it, the Government of India are, therefore, fighting the battle not only of this present Government but of the Governments of the future." The same Statement proceeds to observe: "The issues before the country are plain. On the one side, there is a body to which twice has been offered an opportunity, without precedent, of assisting towards the political advancement of the country.....On the other side, there is the opportunity of co-operation in the great work of constitutional reform to which His Majesty's Government and Parliament are pledged."

XXIV. VICEROY'S SIGNIFICANT SPEECH

The Viceroy was in Calcutta when the exchange of telegrams between himself and Mahatma Gandhi began. His speech at the annual dinner of the European Association was a clear review of the situation as it then existed, although, of course, Congressmen and those who had been accustomed to see eye to eye with them in matters of public interest, could not be expected to admit "the hollowness and insincerity of the agitation" in the U. P. and in the Frontier Provinces. The speech referred, however, to the Congress as "the only active political organisation in the country," and complained of the activities of some of its leaders which were "of a most unconstitutional and seditious character." It reiterated the position agreed upon by a majority of all parties in England and India that Indians should be given complete responsibility over the administration of their country, subject to certain necessary safeguards, of which the exact details have yet to be approved. The robust optimism of the Viceroy was already darkened by the ominous shadows of the inevitable. Addressing Mahatma Gandhi: with whom he was then in telegraphic correspondence he said in that speech: "I venture to hope that even at this eleventh hour, Mr. Gandhi, the acknowledged leader of the Congress party, who has only very recently returned from England, will call a halt to these activities." It was reported at the same time that inside the Congress camp great pressure was being put upon Mr. Gandhi to "force" his decision in favour of a renewed conflict with Government. It was reported, for instance, that S. Subhas Bose had been telling the Working Committee then sitting in Bombay that he would launch a Boycott Movement in Bengal in pursuance of the Berhampur Conference resolution, if necessary even without the approval of the Working Committee. It is quite possible that "hot-gospellers" had been working for war on either side, and the fatal disposition of the forces and circumstances in India and in England, in and outside officialdom, had then been such that the influence of these hot-gospellers proved to be the most potent factor in determining the nature and

course of the coming event. The Viceroy's speech, though not wholly shutting out the last dying ray of hope, already foreshadowed the "dual policy" which was openly enunciated by Sir Samuel Hoare later. We might refer in particular to Sir Samuel's defence of the Indian policy in the House of Commons in connection with the debate on India Office Vote, April, 29, 1932. After saying that the policy had been based on "the two foundations of order and progress", he challenged any one to produce a better policy. Of course critics—more especially on the Labour benches—were not wanting who not only doubted the wisdom of the double policy of ruling by Ordinances and proceeding with the work of constitution-making, but pressed, as Mr. Lansbury for example did, India's claim to self-determination with a zest which made many of us rub our eyes in amazement. Had not Labour in England been in office before this, and had not Mr Lansbury been a member of the Government which had practically followed the same policy of Ordinance-rule and constitutional eye-wash in relation to India? Had not Mr. Benn in office been as enthusiastic a supporter of resolute government as his successor? The only practical difference between the late government and the present appeared to be this that whilst the former had, under certain circumstances, made a "bargain" with the Congress, the latter flatly refused to do so. As Sir Samuel said in concluding his reply to the Commons Debate above referred to—"But I want to make one thing clear. There can be no question of making a bargain with the Congress as a condition of his (that is, Mr. Gandhi's) cooperation." But what had the so-called "bargain" with the Congress by the Labour Government in reality meant? Did it imply the essence of self-determination for India? Did that Government repeat the blunder of the Government of Mr. Lloyd George bargaining with the leaders of an Ireland in actual rebellion behind the back of Parliament? We simply raise the point and do not pause for a reply.

XXV. SOME ALLEGATIONS

It was widely insinuated that the Dual policy had already been on the lap of the Whitehall archangels and the Ordinances had already been on the knees of the Simla gods while Mahatma Gandhi had been collaborating with his British colleagues in the R. T. C. The whole matter was threshed out when, on April, 1, a censure motion was brought by Mr. Harbans Sing Brar "to discuss the unsatisfactory reply of the Leader of the House to questions" relating to the work of constitutional reform with Mr. Gandhi in jail. In the course of the lively debate that followed, many members openly referred to the "Royalists' Circular" (or Mr. Benthall's Circular) on the basis of which it was sought to be made out that "there was a serious conspiracy to put Mr. Gandhi in jail and to prevent India from getting real responsibility". Mr. B. Das said in course of the debate that plans for the arrest of Mr. Gandhi and fighting the Congress were being laid deep while Mr. Gandhi was offering co-operation in the R. T. C. Sir George Rainy on behalf of Government disclaimed of course all direct or indirect connection with the Royalists' Circular. In his reply to the debate, he explained, however, the Dual Policy of the Government and made the significant admission—"The Government knew full well that it was no

use proceeding with constitutional reforms with Congressmen in jail, and that was the reason for the Delhi Pact". Some members spoke of the "Great Moghul" at Whitehall and of the conspiracy hatched in London. But one need not, we think, take a serious note of all this. What was called "conspiracy" might well be the ordinary natural precautions dictated by the instinct of self-preservation which all institutions and all interests have to take when facing or apprehending danger. So far as the Government was concerned, it might be said that it had merely been keeping its power dry and its fortifications safe. No body could blame it if it did so. For,—so it was argued,—had not the Congress also been doing the same? Had it accepted, or shown an inclination to accept, the truce as lasting peace? Had it not, on the contrary, using the truce as an opportunity for further war preparation? The fact of the matter was this that there had not been anything like a change of heart, and that the pernicious miasma of suspicion and distrust continued to sow germs of war-madness all around. The Congress had been demanding independence which the Britisher had not been able to reconcile with what he felt to be his responsibilities in India and his interests. He had not been prepared to take on trust the formula or shibboleth of the Indian reformer that a contented and liberated India would prove the best ally of Britain, and the goodwill of the Indian people the best insurance for the true and durable interests of that country. The Indian, on his side, had not been convinced that it was best to leave those in power to part with it and transfer it without being subjected to a continuous stress and strain. This was the root of the matter. It was quite immaterial whether there had or had not been hatched a conspiracy anywhere, and whether "the Great Moghul" had been enthroned in Whitehall or in Simla.

XXVI. THE BREAKDOWN AND AFTER

The break-down of the telegraphic negotiation between the Viceroy and Mahatma Gandhi was very quickly followed by the arrest (under a Bombay Regulation) of the latter and of Sirdar Patel. Nor were other prominent Congress leaders allowed to "lag behind". The Government policy evidently was to "bag the game" as quickly and as surely as possible. On January, 4, when the day dawned on the arrest of Mahatma Gandhi, the Government of India not only issued a Statement justifying their policy and measures which, they said, they had been compelled to adopt before, but promulgated four new Ordinances to cope with the situation arising out of the arrest of Mahatma Gandhi and other prominent Congress leaders, and declaration of the Working Committee as an unlawful body. We quote here a few lines from *The Leader's Own Correspondent* (New Delhi, Jan. 4)—"The four Ordinances now promulgated represented from the Government point of view the extreme drastic powers. The Government circles are quite hopeful of the results and believed that if only the Liberals and non-Congressmen do not boycott the Round Table Conference Committees, they would get along well with their programme. The Government is anxious to carry this opinion with it.....but is not prepared to take its advice against fighting the Congress as it believes that the Congress is the

enemy of the Government as well as of the Liberals and should not be shown quarter by "either"...As regards the objects and scope of the four Ordinances we quote again the same correspondent: (1) to lead to the arrest of Congressmen and confiscation of their funds and movable property; (2) to make all kinds of picketing unlawful so that High Courts may not be able as they did last time to hold the arrest of peaceful picketers unlawful; (3) the press is to be controlled or suppressed so that it does publicity only to the extent and in the manner that is acceptable to official policy; and (4) the definition of molestation and boycotting is made all-comprehensive to ensure that this aspect of anti-British activity is not given any quarter." In other words, "the Government has taken every step to provide against any lacuna and make provisions of Ordinances court-proof." The Government was confident that as regards the political aspect of the conflict its plans were strongly laid, but, naturally, it was not free from anxiety as to the character and magnitude of the possible economic and financial repercussions of their policy. It could not help asking itself the question—Would the cumulative effects of Congress boycott, the heavy burden of maintaining law and order, and of world depression, prove too much for the financial capacities and potentialities of the Indian Government? It was easy to make the provisions of the Ordinances defiance-proof and court-proof, but it was not so easy to make the administration of the country pound-shilling-and-pence-proof.

XXVII. NEW ORDINANCE AND NEW POLICY

We have given above a summary of the central principles of the Emergency Powers, Unlawful Instigation, Unlawful Association, and Boycott and Molestation Ordinances. Their scope covers a very wide range of very drastic powers. Sir Samuel Hoare made an important speech at the India Office before some journalists on January, 14. In the course of that speech he said that the action taken by the Government of India had so far proved successful in checking the activities of the Congress; "as long as we are responsible for India, we intend to govern". The Government had no wish to continue the emergency measures a day or an hour longer than needed. "For the moment, a battle has been thrust on us. If we fight, of course, we shall win, but I regard the methods of that kind as out of date. We want internal peace in India as much as international peace. We shall be delighted to renew goodwill and cooperation with all sections of Indian opinion." Sir Samuel also contended that there was no incongruity between the departure of the three Constitution Committees from Home and the adoption in India of strong measures for the maintenance of law and order. It was no use trying to raise a constitutional structure in India the very foundations of which were being continuously sapped by the subversive activity of organised lawlessness. In fact, it was the Dual Policy of order and progress of which we have heard so much. Only two points need here be noted in connection with this speech. Sir Samuel frankly appraised the situation as "battle", and, was thinking of the international parallel. This conception of the Indian situation should naturally consist with a semi-militarist policy dictating semi-martial measures and operations. Emergency measures appear as the

only possible measures under such a condition of affairs. But the question remains—Is this a fundamentally correct conception of the Indian *ensemble* of conditions? Was it or was it not the aim of British connection and British governance of India to have them broadbased on the maximum good will and increasing cooperation of all sections of Indian opinion? Did or did not Congress opinion represent a very considerable and very powerful section of Indian opinion? If the answer be affirmative to both these, one might ask a further question—Was it likely that the aim of British rule in India would be fulfilled by a kind of action that tended to permanently and almost vehemently antagonise that opinion? Were not the repercussions of that action such on bodies of opinion outside the Congress ambit that they might tend to alienate and antagonise them also? Was not this likelihood very clearly put before the authorities by liberal leaders like Dr. Sapru and Mr. Jayakar immediately after the door of the Viceregal Lodge had been slammed in the face of Mahatma Gandhi and he transported back into his familiar cloister of seclusion in “the barred guest-house” at Poona? Was not Sir George Rainy—the Leader of Legislative Assembly—nearer the fact when he said that Government knew full well that it was no use making a constitution for India without securing Congress cooperation? The policy of crushing the Congress was not, therefore, generally accepted as either reasonably practicable or as politically sound. By calling into play all its emergency powers and resources it may certainly be possible for an admittedly mighty Government to make any organisation cease to function in the sense that some of its surface manifestations disappear for a time. But that does not mean that it has been crushed to death or even impotence. It may mean that the fire has been burning deep and gathering both volume and momentum. The question is—Has it ceased to live in the thoughts and feelings, hopes and aspirations of the people? Has it ceased to interest them and engage them? Oftner than not the very persecution through which it passes confers on it a charmed life of added power and strength. Sir Samuel said that the battle had been thrust upon the Government. But battle like greatness is never thrust upon any one. The man in the street has an unfaltering faith in the simple law of action and reaction and he cannot be easily deluded out of it. Has he not seen the painting of the vanquished lion crouching at the feet of man, his victor? Of course, all fault and all shame is on the vanquished and all merit and all glory on his victor. We have seen how the conflict in India was precipitated by certain acts of omission and commission on either side. At any rate, this was how it struck many of those who looked on.

XXVIII. THE DUAL POLICY

The other point relates to Sir Samuel's defence of the Dual Policy. It is of course impossible to raise any lasting structure upon foundations that are being continuously sapped. Apart from the relevant question as to who or what are the real sappers of Law and Order, one might also pertinently ask—Is it possible to raise any kind of solid structure—barring of course phantasms and castles in the air—upon no foundations or upon foundations flimsy, fabulous and rotten? Maximum goodwill of the people and the greatest measure of active cooperation

from them is the only kind of foundation that passes the crucial test. All else is mere dallying, play or eye-wash. It secures and saves and serves nothing.

XXIX. EMERGENCY POWERS IN OPERATION

However, there was no sparing the emergency powers of the Government arming itself with the new Ordinances and its endless resources in its first rounds of attack on the Congress. Leaders were promptly removed from the scene of their actual or prospective influence. The very first blow had struck the Congress Executive and blows followed in quick succession rendering or trying to render the limbs of the Congress organisation paralytic. Almost from the very beginning, the Congress organisations (declared unlawful) had to function without the lead of the front-rank leaders, but they somehow managed to crop up again almost as soon as they were declared unlawful and arrested *en masse*. That the Movement in spite of the measures adopted was gradually gathering momentum would appear from the figures of January and February convictions—nearly 15,000 and 18,000 respectively. The curve was seen to dwindle down to much lower figures in later months, but people were asking—Was it because the Movement was actually ebbing out, or because the curve was being artificially manipulated for propaganda? Non-partisans had no other data to rely upon except the information supplied by official answers in the Assembly and in the House of Commons. Newspapers could in many cases act only with gagging halters round their necks and with their eyes seven-fold bandaged. Precious little would get in through the bandages and gracious less would come out of the gag. However, whether it was due to propaganda purposes or to a chance of tactics on the part of the authorities who seemed to discourage arrest and proffered the more convenient and economic method of terrible dispersal of unlawful meetings and processions, the number of convictions after the first two months of the conflict was not seen to raise above the figure 7,000. It dwindled down to even half that number. That the correctness of these figures was not generally accepted in the Indian quarters would appear from a statement issued by Pandit Madan Mohan on May, 2. He said that even on the strength of the reports published in the newspapers, the figure could not be less than 66,000. In fact, it was more than that. It was to be remembered that this did not possibly include numbers of arrests made in the remote corners of the countryside. To sum up, the total according to Panditji's estimate up to the third week of April could not be much lower than 80,000. According to an official estimate, the number of prisoners in jail at the end of April was about 32,000, at the end of May 31,000, and at the end of June 29,000. We give them in round figures.

XXX. FORMS OF CIVIL RESISTANCE : NORMAL

The unlawful activities of the civil resisters were of the usual forms ranging from the holding of banned meetings and processions to refusing to be on police parole or under any kind of official restraint order. The boycott programme was also a very extensive one relating to many branches of public administration. And it assailed even banks, insu-

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rance companies and bullion exchange. The no-tax movement was also much in evidence.

XXXI. SPECIAL

Besides these normal activities of the Congress offensive, there were certain operations organised or attempted to be organised which were called forth by special occasions. There were of course the Independence Day and Gandhi Day demonstrations. On the last day of the first week of April, the National Week in commemoration of the Jalianwalla Tragedy opened and was celebrated throughout the country. This week witnessed an intensive campaign of boycott and picketing which resulted in many places, especially in Allahabad and Cawnpore, in clashes between the demonstrators and the police. On the one side there were very determined efforts made to lead banned processions into the Civil Lines and other "forbidden" places, and hoist the National Flag on the heads of buildings accustomed to fly the Union Jack, or else, to picket shops and warehouses which had never turned down their proud posters of buy British and sell British; on the other side, there were stern measures taken—measures which in some cases had to go to the length of repeated volleys of firing—to stop or prevent such provokingly anti-British demonstrations. In the middle of May, the Congress also organised a raid on the salt depot at Wadala. Here the white-capped satyagrahi raiders put up a fight against barbed-wire defences along which armed forces of the police were mounting guard day and night. Celebration of the All India Prisoners Day also deserves mention.

XXXII. THE 47TH. CONGRESS SESSION

But by far the most widely exciting and superbly dramatic incident was the attempt made by Congressmen to hold the 47th. session of the Congress in the latter part of April. An announcement appeared in the first week of April in the papers that the Indian National Congress would hold its annual session at Delhi instead of at Puri as formerly suggested on the 23rd and 24th of April. Pandit Rajendra Prasad, the President-elect, was in jail. Srimati Naidu, who was at that time the Acting President of the Congress—that is to say, its "dictator"—changed the venu of the Congress from Puri to Delhi; she also nominated Secretaries, asked Pundit Malaviya, who accepted the offer, to don the robe of the President. The Secretaries in due course approached by letter the authorities to grant them a site for the Congress Nagar. The letter of the District Magistrate on the 6th. communicated to them the decision of the Government of India not to allow the Congress to hold its annual session; and this decision was based on the fact that the Congress was then carrying on the Civil Disobedience Movement, and that, consequently, any meeting of this body (not itself unlawful, as the Home Member had assured us) would in all likelihood tend to give a lead and impetus to the unconstitutional and subversive activity already agitating the country. This refusal on the part of the Government might be regarded as a perfectly logical process if one could simply accept the promises of Sir Samuel Hoare that the Government was engaged in a fight with the Congress for its very existence, and that the "battle" had

been thrust upon it. Surely no one would expect a belligerent party to invite or tolerate the "enemy" within its own defences in order to lay his plans there. Still many people thought that from the point of view of wiser and more far-seeing statesmanship, Government should have been better advised, and should have acted more generously, in making its decision in a situation so delicate and so difficult as this. There was of course the risk of inviting the Congress into its very den and suffering itself to be bearded by it. It might have added to the prestige of the transgressor, and detracted from that of the transgressed. But the transgressor and the transgressed can not and should not "fight to a finish", but will have to make and settle down in peace,—peace that will be honourable to both,—it would have been better if Government had taken, after four months of conflict, a fresh measure of the actual and potential support behind the Congress Movement. Each party had appealed to the country, and each had its ultimate lines of defence in the backing and support of general sympathy and co-operation. Even an avowedly militarist government can ever afford to forget that it has its last line of defence in that.

XXXIII. NEED FOR RECONNOITRING THE POSITION

Now, the Congress Working Committee had, under the advice of Gandhiji, passed the Civil Disobedience Resolution, and was declared unlawful. But the C. W. C. is not the Congress itself. After four months—months of such stress and anxiety—it surely behoved Government to make sure of two things : (1) Was the Congress still identified with the programme and policy of the last W. C. ? If so, to what extent ? was the "war-curve" rising or falling inside the Congress zone ? What was the disposition of the forces in the Congress field—the Left, the Right, the Centre ? (2) What were the lines of defence of the Congress in the support or acquiescence of the people in general ? Was it gaining ground or losing it ? As these are most vital questions affecting the "order and progress" of the nation as a whole, Government ought not to have missed the opportunity for reconnoitring the whole position. Under a democratic constitution the constitutional usage itself provides the government with such an opportunity when an appeal is made to the country for the purpose of taking a measure of the sanction of public opinion behind it. In India no such constitutional usage exists. The Press and the Platform which under normal conditions reflect in a way and to some extent public opinion had to function under the rigid and heavy yoke of the Ordinances. Under the circumstances they had ceased in a large measure to be the faithful mirror of the public mind. Government reports had of course been saying that the Congress had lost favour with all peace-loving and law-abiding people who constituted the bulk of the Indian nation ; that these were with the Government and not with the Congress. Now, the question remained—Was it or was it not so ? An open and free session of the Congress—a relaxation of the Ordinances in so far as they affected the preparation for the holding of such a session and its deliberations—would have supplied a surer index of the measure of public sanction behind the Congress and also Government than almost anything else that could be thought of in a country where democratic usages are not yet established, but which

is on the way to getting a democratic constitution. The political advantage of an open and non-interfered session of the Congress, and also, if necessary, of other public bodies, would have far outweighed the danger of the possible lead and impetus given to the Civil Disobedience Movement by such an event. Such an act of statesmanship would have more effectively justified the plea of the Government they had, and they were anxious to have, the sanction of Indian public opinion in shaping their policies and concerting their plans. People would have felt the justice and the generosity that permitted even an "enemy" to say his say as he liked to say it, and it is quite possible that the enemy himself would not have been impervious to that feeling. It would have made matters easier for conciliation and peace which everybody desired. But, then, such a course could not commend itself to a policy which aimed at crushing the Congress. In the course of the India Office Debate (June 27) Sir Samuel Hoare replying to the debate said: "Let them lay aside civil disobedience, and make it clear that they are prepared to cooperate with us on the lines of the White Paper, we shall not be slow to cooperate with them. Until they definitely abandon the attempt to smash the machinery of Government and set themselves up as a rival to the accredited Government of India, there can be no question of negotiation of any kind."

XXXIV. THE CONGRESS IN A DILEMMA.

Now, what exactly was or could be the implication of this? Did it imply that Government was prepared to make peace with the Congress only on the basis of a document which the latter had pronounced as wholly unacceptable? The Congress was placed between the horns of a most difficult dilemma. If it accepted the lines of the White Paper, it ceased to be the exponent and mouthpiece of the progressive nationalist thought in India—the thought that probably counted more than any other in India. If it did not accept it, it must have a definite programme of its own to function as a living institution. Now, the programme could be, firstly, "hands off" or non-cooperation so far as Congressmen themselves were concerned; secondly, it could be that of the Responsivist—"cooperate where we can and non-cooperate where we must"; and, thirdly, it could be that of the aggressive non-cooperator who not only non-cooperated themselves but advised the people in general to non-cooperate. If this last was allowed to go to the length of non-cooperating in the matter of certain laws and regulations made by the Government, then it amounted to Civil Disobedience. Whether right or wrong, it was undeniable that a considerable section of the politically-minded people in India liked to see this last programme given a trial under certain circumstances. They would be "the smashers of the machinery of Government." Government would be perfectly within its rights if it made up its mind to smash—they would be smashers. But at the same time it would be well for Government as well for the people if it paused to reflect whether it was likely that the reasons, if any, and that causes and conditions whatever they were, behind the last programme of the Congress were such as could be expected to be "smashed"? It is no use smashing individual Congressmen or even their organisations if the causes and conditions continue to exist which

produce similar or more militant organisation almost as soon as their first forms are suppressed. The question of all-importance was, therefore, this—Was the assemblage of conditions evolving the civil disobedience mentality gathering or losing strength in India? And an open session of the Congress, if permitted, should have been a barometer reading of the political atmospheric pressure, which could not have failed to prove of singular value. The Ordinance "raj" need not have abdicated his sovereignty. Government need not have created a gap in its ultimate defences. The Congress Day should have been allowed as a day of grace. If it were so allowed, the psychological likelihood was that it would have been accepted in a reciprocal spirit by the people who were certainly not in love with the regime of the Ordinances. A day or two on which everybody could talk as he liked should not have been a day lost from the Government point of view.

XXXV. LEADERS "BRAVING" THE BAN.

But this day of grace was not allowed, and the Congress Leaders—Srimati Naidu, Pundit Malaviya, and others who were not then in jail—decided to "brave" the ban imposed on the annual session. The details of the incident presented many points of intense dramatic interest, and the temptation of a narrative would be nearly too much to be resisted. But we do not succumb to it. Suffice it to note that despite every precaution taken by the Delhi authorities a considerable number of delegates managed to filter into the crucible on fire and though a very large number of *en route* arrests—including those of Srimati Naidu and Pundit Malaviya—had been made, the Congress Subjects Committee were able to meet on the 23rd., and the Congress itself on the following day, though only for a few minutes, passing three resolutions.

Government had refused to take a free and open measure of the Congress stature; but its stature even under the ban and the ordinance "steam roller" was not inconsiderable. The incident in Delhi was not a solitary spectacular rocket-firing from the official point of view. Sparks were spread over the whole length and breadth of the Indian continent, which produced a veritable crop of conference fireworks almost everywhere. Numberless Provincial, District and Sub-divisional Conferences were held to broadcast what the Congress had "spoken" for ten minutes under the shadow of the Clock Tower in Chandni Chowk, Delhi. Of course, Government was prompt to deal with these unlawful associations. As we have tried to show, the mischief from the government point of view would not have been greater, but, possibly, much less ultimately if government had seen its way to grant a day or two for the Congress (not an unlawful body) to meet openly and deliberate freely. It was not necessary to arrest, haul up and convict a legal body before it did any illegal overt act by way omission or commission.

XXXVI. PHRASEOLOGY OF "THE FRONT"

We have devoted practically the whole of this Introduction to an appreciation of the circumstances connected with the renewal of the fight between the Congress and Government. If we have sometimes employed martial or quasi-martial terms, we have merely echoed the

high "battle cries" of the "great Moghul" himself at the India Office. Even the ex-Viceroy Lord Irwin, had observed, not quite approvingly, this new fashion of war talk, though he was one with the present Government in fastening "the war guilt" on the Congress and said that he would have adopted the same measures as the present Viceroy did, had he continued to act as Viceroy. Now, this war attitude resulted, in the judgment of many, in a narrowing and cramping of the political outlook. Under the terrorist threat in Bengal, an idea flashed to place military officers in charge of some districts instead of civilians. Now, conceive for one moment an war officer sitting at the India Office signalling his ukases and ordinances to a far away field of battle, and drawing up his weekly reports to the Headquarters in which one met with the usual phraseology such as—"battle thrust upon us"; "if we fight, we shall of course win"; "the initiative is with us"; "the enemy might then concentrate on the gap in our defences"; and so on. Sir Samuel Hoare has donned the Colonel's uniform over his civilian dress. People still expect that he will doff the uniform and appear not only as his honest civilian self but as a dependable and constructive statesman of wide imagination. England and India have need not of a 'just beast' or of a fighting beast, or anything of the kind, but of human understanding, fellowship and service. In the face of this supreme need, the Indian nationalists are also called upon to make a thorough search of their own camp to make sure that any species of the "beast" just or unjust, is not abroad or hiding there.

XXXVII. THE OTTAWA CONFERENCE

During the half year under review a proposal was made in the Assembly asking the participation of India in the Imperial Economic conference to be held at Ottawa. His Majesty's Government had adopted a new tariff policy, and had invited the Government of India to take part in a discussion whether, in view of that policy, it would be desirable to enter into an agreement with Great Britain for the purpose of a reciprocal preference designed to subserve the trade interests of both countries.

This proposal of India's tariff attachment with Great Britain and the Dominions--this policy of Imperial preference and reciprocity--would remind one of the Rupee move of the Government which linked the poor Indian rupee to the fluctuating British sterling. It was then thought that the rupee move had not been actuated solely or even primarily by a consideration of India's own currency interests. It was also regretted that in a matter so vital as this, decision had been made by the Government of India presumably under dictation from Whitehall. Now, a similar objection was taken by the Indian Chambers of Commerce consulted by the Commerce Department as regards the personnel of the delegation attending the Ottawa Conference. India is invited to be a tariff partner with Great Britain and the Dominions, and yet, unlike the other partners, she is to be represented at the Conference by a delegation consisting of nominees of a Government which is not representative. As regards the general policy of tariff partnership envisaging imperial preference and reciprocity, some of the Chambers consulted thought that the proposed partnership was

without meaning until and unless India were raised politically to the status of a Dominion. Reciprocity between an earthen pot and a metal one floating down the stream was not a very convenient arrangement to the first. Some Bodies stressed the need of consulting the Legislature. But what hope was there so long the Indian Legislature could do no better, but possibly worse, than an Indian Annual Resister? We reserve however our comment on the Ottawa Conference till some further progress is made with it.

XXXVIII. REPORTS OF THE CONSTITUTE COMMITTEES

Nor need we say anything by way of comment on the proceedings and Reports of the Indian Franchise Committee and of the Federal Finance Committee. A summary and analysis of the Reports are to be found in the present volume of the Register. On May 10, Lord Lothian, Chairman of the first Committee, said in the course of his parting message—"Franchise is the foundation for democratic self-government, and I hope that our recommendations will be recognised by Indian opinion as laying a workable and progressive foundation for self-government in India." The electorate of British India was increased nearly five times (from 5.4 to 27.6 per cent) by those recommendations. Adult franchise as such was ruled out. Franchise was based on property as well as minimum educational qualifications. Franchise was extended to women also, and the ratio of men voters to women voters as also the percentage of the total electorate to the adult population varied from province to province. Special interests were, in some cases, to be given special representation. As regards the Depressed Classes, the question of separate or joint electorate was no part of the Committee's terms of reference. Yet the Committee made some recommendations.

For an idea of the main recommendations of the Second Committee, we would also refer the reader to the summary and analysis of the Report itself. The Report traversed several areas of controversial ground, such as, Distribution of Income Tax; the Meston Award; the Claim of Bengal to a share of the jute taxes and of Assam to a share of excise duty on kerosin and motor spirits; Powers of Borrowing, and so on. As we said before, we had better reserve our comment on all this until we see the Third Round Table Conference discussing the recommendations and His Majesty's Government and also other responsible Bodies deliberating on them.

XXXIX. THE COMMUNAL PROBLEM

Similar is our plan with regard to the Hindu-Moslem and Minorities Problem. No agreement was reached in this matter when the Second R. T. C. closed its session and the White Paper was drawn up. It was widely recognised that there was no hope of any settlement being reached except by an arbitration by the British Premier in the shape of a Communal Award. We might refer to the All-India Moslem Conference which met in Lahore towards the latter part of March; to the Manifesto of the Hindu M. L. A.'s; the Punjab Hindu Sabha; Bengal Hindus; and so on. It was at the same time felt by many that the Communal Award

of the Premier would mark the beginning and not the end of the real trouble. Apart from the derogation to India's self-respect it involved, it was feared that the disposition of circumstances in India and in England was not such as to make it likely that the Award would be satisfactory or even tolerable to the communities and interests concerned. India must refuse to accept her failure to solve the communal problem. She must will to succeed. Will to succeed in this is will to live. A solution cannot be thrust upon her. It must be solved. An All-Parties agreement was, therefore, the only way. And the frail prisoner inside the Yervada Jail was to open the way by an act of supreme sacrifice.

TEXT OF THE ORDINANCES

JANUARY—JUNE 1932

ORDINANCE NO. I OF 1932.

[2nd. January, 1932.]

An Ordinance to supplement the Bengal Emergency Powers Ordinance, 1931.

Whereas an emergency has arisen which makes it expedient to supplement the Bengal Emergency Power Ordinance, 1932 ;

Now therefore, in exercise of the power conferred by section 72 of the Government of India Act, the Governor General is pleased to make and promulgate the following Ordinance :—

1. This Ordinance may be called the Bengal Emergency Powers (supplementary) Ordinance, 1932.

2. In sub-section (1) of section 24 of the Bengal Emergency Powers Ordinance, 1931, after the words "other members shall be persons", the words "so qualified or" shall be inserted.

ORDINANCE NO. II OF 1932.

[4th. January, 1932.]

An Ordinance to confer special powers on Government and its officers for the purpose of maintaining law and order.

Whereas an emergency has arisen which makes it necessary to confer special powers upon Government and its officers for the purpose of maintaining law and order ;

Now therefore, in exercise of the power conferred by section 72 of the Government of India Act, the Governor General is pleased to make and promulgate the following Ordinance :—

1. (1) This Ordinance may be called the Emergency Powers Ordinance, 1932.

(2) This section and section 63 extend to the whole of British India, including British Baluchistan and the Sonthal Parganas, and the remaining provisions of this Ordinance shall extend only to such provinces or parts of provinces as the Governor General in Council may, by notification in the Gazette of India, specify.

(3) This section and section 63 shall come into force at once, and the Local Government may, by notification in the local official Gazette, direct that any or all of the remaining provisions shall come into force in any area to which they have been extended, on such date as may be appointed in the notification.

2. In this Ordinance, unless there is anything repugnant in the subject or context,—

(1) "the Code" means the Code of Criminal Procedure, 1898 ; and

(2) "District Magistrate" means, in the case of a Presidency-town or the town of Rangoon, the Commissioner of Police.

3. (1) Any officer of Government authorised in this behalf by general or special order of the Local Government may, if satisfied that there are reasonable grounds for believing that any person has acted, is acting or is about to act, in a

manner prejudicial to the public safety or peace, arrest such person without warrant, and may in so doing, use any means that may be necessary.

(2) An officer making an arrest under this section shall forthwith report the fact to the Local Government and may, by order in writing, commit any person so arrested to such custody as the Local Government may, by general or special order specify in this behalf :

Provided that no person shall, unless the Local Government by special order otherwise directs, be so detained in custody for a period exceeding two months.

Provided further that no person shall be so detained in custody for a period exceeding two months.

4. (1) The Local Government, if satisfied that there are reasonable grounds for believing that any person has acted, is acting, or is about to act, in a manner prejudicial to the public safety or peace or in furtherance of a movement prejudicial to the public safety or peace, may, by order in writing, give any one or more of the following directions, namely, that such person—

(a) shall not enter, reside or remain in any area specified in the order ;

(b) shall reside or remain in any area specified in the order ;

(c) shall remove himself from, and shall not return to, any area specified in the order ;

(d) shall conduct himself in such manner, abstain from such acts, or take such order with any property in his possession or under his control, as may be specified in the order.

(2) An order made under sub-section (1) shall not, unless the Local Government by special order otherwise directs, remain in force for more than one month from the making thereof.

(3) An order made under sub-section (1) shall be served on the person to whom it relates in the manner provided in the Code for service of a summons.

5. (1) If, in the opinion of the Local Government, any land or building can be utilised as quarters or offices for public servants, or for the accommodation of troops or police, or for the purpose of giving effect to this Ordinance or any order made thereunder, or otherwise for the public advantage, the Local Government may, by order in writing, require the occupier or other person in charge of the land or building to place it at the disposal of Government at such time as may be specified in the order, together with the whole, or any part specified in the order, of any fixtures, fittings furniture or other things for the time being in the building ; and the Local Government may dispose of or use such land, building, fixtures, fittings, furniture or other things in such manner as it may consider expedient.

(2) In this section "building" includes any portion or portions of a building whether separately occupied or not.

6. The District Magistrate may, by order in writing, prohibit or limit, in such way as he may think necessary for the public advantage, access to any building or place in the possession or under the control of Government or of any railway administration or local authority, or to any building or place in the occupation, whether permanent or otherwise, of His Majesty's Naval, Military or Air Forces or of any police force, or to any place in the vicinity of any such building or place.

7. The District Magistrate may, by order in writing, prohibit or regulate, in such way as he may think necessary for the public advantage, traffic over any road, pathway, bridge, waterway or ferry.

8. (1) If, in the opinion of the Local Government, it is necessary for the public advantage to control the supply of any commodity of general use in any area to which this section applies, the Local Government may, by notification in the local official Gazette, make a declaration to that effect.

(2) In any area to which a declaration under sub-section (1) extends, the Local Government may exercise all or any of the following powers in regard to the commodity to which the declaration relates, namely :—

(a) it may, by general or special order in writing, require any trader to make a return in such form and within such time and to such authority as may be specified in the order of the stocks of such commodity held by him or consigned to him or under order on his account ; of any contracts for the supply to or by him of such commodity or for or in connection with the production or manufacture of such commodity and of any other dealing by him therein ; of the persons with whom and the prices at which any such contracts or other dealings were made or had or the prices at which such commodity has been bought or sold by him ; of the cost of production of such commodity, so far as it may be known to him, and

the profits usually made or expected by him on the sale thereof: and of any other matters specified in the order with respect to which, in the opinion of the Local Government, it is desirable to obtain information for the purpose of controlling the price of such commodity ;

(b) it may, by notification in the local official Gazette, prescribe the conditions under which (including the maximum price at which and the persons by whom and to whom) such commodity may be sold ; and such conditions may be general for the whole area or may vary as regards different localities therein, and different conditions may be prescribed for different classes of such commodity ;

(c) It may, by order in writing, require a trader to place the whole or any portion of his stock, whether immediately available or not, at the disposal of the Local Government at such time and place and in such manner as may be specified in the order, or receiving payment therefor at the price or prices fixed under clause (b).

(3) In this section "trader" includes a manufacturer, producer, warehouse-keeper or vendor, and, in the case of a vendor, a wholesale or retail vendor whether acting on his own behalf or on behalf of any other person, and, if not acting on his own behalf, the person on whose behalf he is acting.

9. If, in the opinion of the Local Government, any product, article or thing, or any class of product, article or thing, can be utilised for the public advantage, the Local Government may, by order in writing, require any owner or person in charge of such product, article or thing to place it at the disposal of Government at such time and place as may be specified in the order ; and the Local Government may dispose of or use it in such manner as it may consider expedient.

10. (1) The District Magistrate may, by order in writing, require any person to make, in such form and within such time and to such authority as may be specified in the order, a return of any vehicles or means of transport owned by him or in his possession or under his control.

(2) The District Magistrate, if, in his opinion, it is necessary for the public advantage, may, by order in writing, require any person owning or having in his possession or under his control any vehicle or means of transport to take such order therewith for such period as may be specified in the order.

11. (1) The District Magistrate may, by order in writing published in such manner as he thinks best adapted for informing the persons concerned,—

(a) prohibit, either absolutely or subject to such exception as may be specified in the order, the purchase, sale or delivery of, or other dealing in, any arms, parts of arms, ammunition or explosive substances ; or

(b) direct that any person owning or having in his possession or under his control any arms, part of arms, ammunition or explosive substances, shall keep the same in a secure place approved by the District Magistrate or remove them to any place specified in the order.

(2) The District Magistrate may take possession of—

(a) any arms, ammunition or explosives, or

(b) any tools, machinery, implements or other material of any kind, likely, in his opinion, to be utilised, whether by the owner or by any other person, for the purpose of causing unlawful hurt or damage to any person or to any property of Government or of any railway administration or of any local authority.

and may make such orders as he may think fit for the custody and disposal thereof.

12. Any officer of Government authorised in this behalf by general or special order of the Local Government may, within any area specified in such order, appoint persons as special police officers ; and any person so appointed shall be deemed to have been appointed as a special police officer in accordance with the provisions of any enactment relating to the appointment of special police officers in force in that area.

13. Any officer of Government authorised in this behalf by general or special order of the Local Government may, within any area specified in such order, require any landholder, village headman, lambardar, inamdar or jagirdar, or any officer or servant of any local authority, or any teacher in any school, college or other educational institution to assist in the restoration and maintenance of law and order and in the protection of property in the possession or under the control of Government

or of any railway administration or local authority in such manner and within such limits as the officer so authorised may specify.

14. If, in the opinion of the Local Government, it is necessary for the public advantage to secure the continuance of any public utility service, as defined in section 2 of the Trade Disputes Act, 1929, other than a public utility service owned by Government, the Local Government may—

(a) by order in writing, require the owner or person in charge of the utility service or of any thing ancillary thereto, or the person in control of any establishment ancillary thereto, to take or abstain from such action in respect of the supply of such service as may be specified in the order; or

(b) after giving notice in writing to the owner or person in charge of the utility service or of anything ancillary thereto or to the person in control of any establishment ancillary thereto or, if such owner or person has disobeyed, or neglected to comply with, an order made under clause (a), without such notice, assume control of such service, thing or establishment, and take such order therewith as may, in the opinion of the Local Government, be necessary to secure the continuance of such service.

15. The District Magistrate, if, in his opinion, it is necessary for the public advantage, may, in consultation with the chief postal authority in the district, control the operation of any post, telegraph, telephone or wireless office or station, and, in particular, may intercept any postal article or telegraphic, telephonic or wireless message in the course of transmission, may ascertain its contents and may prohibit its further transmission.

16. The District Magistrate may—

(a) require accommodation to be provided on any railway train or any vessel for any passengers or goods, and, for this purpose, exclude from such train or vessel any passengers or goods which it is already carrying or about to carry;

(b) require that any specified persons or classes of persons or persons proposing to travel to specified destinations, or any specified goods or classes of goods or goods consigned to specified destinations, shall not be carried on any railway or vessel;

(c) exclude or eject any passenger from any train or vessel;

(d) stop, or prohibit the stopping of, trains or vessels at any station; or

(e) in consultation with the local railway authorities, require special trains to be provided for the conveyance of troops, police or other persons.

17. The District Magistrate may, by order in writing, depute one or more police officers not below the rank of head constable, or other persons, to attend any public meeting for the purpose of causing a report to be made of the proceedings, and may, by such order, authorise the persons so deputed to take with them an escort of police officers.

Explanation—For the purposes of this section a public meeting is any meeting which is open to the public or to any class or portion of the public, and a meeting may be a public meeting notwithstanding that it is held in a private place and notwithstanding that admission thereto is restricted by ticket or otherwise.

18. The power to issue search-warrants conferred by section 53 of the Code shall be deemed to include a power to issue warrants authorising—

(a) the search of any place in which any Magistrate mentioned in that section has reason to believe that any offence under this Ordinance or any act prejudicial to the public safety or peace has been, is being or is about to be committed, or that preparation for the commission of any such offence or act is being made;

(b) the seizure in or on any place searched under clause (a) of anything which the officer executing the warrant has reason to believe is being used, or is intended to be used, for any purpose mentioned in that clause;

and the provisions of the Code shall, so far as may be, apply to searches made under the authority of any warrant issued, and to the disposal of any property seized, under this section.

19. Any authority on which any power is conferred by or under this Chapter may, by general or special order, authorise any person to enter and search any place, the search of which such authority has reason to believe to be necessary for the purpose of—

(a) ascertaining whether it is necessary or expedient to exercise such power; or

(b) ascertaining whether any order given, direction made, or condition prescribed in the exercise of such power has been duly complied with; or

(c) generally, giving effect to such power or securing compliance with, or giving effect to, any order given, direction made or condition prescribed in the exercise of such power.

20. If any person disobeys or neglects to comply with an order made, direction given, or condition prescribed, in accordance with the provisions of this Chapter, the authority which made the order, gave the direction or prescribed the condition may take or cause to be taken such action as it thinks necessary to give effect thereto.

21. Whoever disobeys or neglects to comply with any order made or direction given in accordance with the provisions of section 4 shall be punishable with imprisonment which may extend to two years, or with fine, or with both.

22. Subject to the provisions of section 21, whoever disobeys or neglects to comply with any order made, direction given, or condition prescribed in accordance with the provisions of Chapter II, or impedes the lawful exercise of any power referred to in that Chapter, shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

23. Whoever induces or attempts to induce any public servant or any servant of a local authority or any railway servant shall be punishable with imprisonment which may extend to one year, or with fine, or with both.

24. Whoever dissuades or attempts to dissuade any person from entering the military or police service of His Majesty shall be punishable with imprisonment which may extend to one year, or with fine, or with both.

25. Whoever by words, whether spoken or written, or by signs or by visible or audible representations or otherwise publishes any statement, rumour or report which is false and which he has no reasonable ground to believe to be true, with intent to cause or which is likely to cause fear or alarm to the public or any section of the public, or hatred or contempt towards any public servant, or any class of His Majesty's subjects, shall be punishable with imprisonment which may extend to one year, or with fine, or with both.

26. (1) Where it appears to the Local Government that the inhabitants of any area are concerned in the commission of offences or other acts which are prejudicial to the maintenance of law and order or to the public revenues, or are harbouring persons concerned in the commission of such offences or acts, the Local Government may, by notification in the Local official Gazette, impose a collective fine on the inhabitants of that area.

(2) The Local Government may exempt any person or class or section of such inhabitants from liability to pay any portion of such fine.

(3) The District Magistrate, after such inquiry as he may deem necessary, shall apportion such fine among the inhabitants who are liable collectively to pay it, and such apportionment shall be made according to the District Magistrate's judgment of the respective means of such inhabitants.

(4) The portion of such fine payable by any person may be recovered from him as a fine or as arrears of land-revenue.

(5) The Local Government may award compensation out of the proceeds of a fine realised under this section to any person who, in the opinion of the Local Government, has suffered injury to person or property by the unlawful acts of the inhabitants of the area.

Explanation.—For the purposes of this section, the "inhabitants" of an area includes persons who themselves or by their agents or servants occupy or hold land or other immovable property within such area, and landlords who themselves or by their agents or servants collect rent from holders or occupiers of land in such area notwithstanding that they do not actually reside therein.

27. Whoever publishes, circulates or repeats in public any passage from a newspaper book or other document copies whereof have been declared to be forfeited to His Majesty under any other law for the time being in force shall be punishable with imprisonment which may extend to six months or with fine or with both.

28. (1) Where any young person under the age of sixteen years is convicted by any court of an offence under this Ordinance or of an offence which in the opinion of the Court has been committed in furtherance of a movement prejudicial to the public safety or peace and such young person is sentenced to fine the Court may order that the fine shall be paid by the parent or guardian :

Provided that no such order shall be made unless the parent or guardian has had an opportunity to appear before the Court and be heard.

(2) In any such case the Court may direct by its order that in default of payment of the fine by the parent or guardian, the parent or guardian shall suffer imprisonment as if the parent or guardian had himself been convicted of the offence for which the young person is convicted.

29. Courts of criminal jurisdiction may be constituted under this Ordinance of the following classes, namely:—(i) Special Judges; (ii) Special Magistrates; (iii) Summary Courts.

30. The Local Government may appoint to be a Special Judge for such area as it may think fit any officer who has acted for a period of not less than two years in the exercise of the powers of a Sessions Judge under the Code.

31. Subject to the provisions of section 47, a Special Judge shall try such offences as the Local Government, or an officer empowered by the Local Government in this behalf, may, by general or special order in writing, direct.

32. (1) A Special Judge may take cognizance of offences without the accused being committed to his Court for trial, and, in trying accused persons, shall follow the procedure prescribed by the Code for the trial of warrant cases by Magistrates:

Provided that a Special Judge may make a memorandum only of the substance of the evidence of each witness examined, and shall not be bound to adjourn any trial for any purpose unless such adjournment is, in his opinion, necessary in the interests of justice.

(2) In matters not coming within the scope of sub-section (1), the provisions of the Code, so far as they are not inconsistent with this Ordinance, shall apply to the proceedings of a Special Judge; and for the purposes of the said provisions, the Court of the Special Judge shall be deemed to be a Court of Session.

33. A Special Judge may pass any sentence authorised by law.

34. (1) An appeal shall lie in the case of any sentence passed by a Special Judge of death or of transportation or imprisonment for a term of two years or more, and the provisions of the Code and of the Indian Limitation Act, 1908, shall apply in respect of such appeal as if it were an appeal under the Code from a sentence passed by a Court of Session exercising jurisdiction in the area in which the offence was committed.

(2) A sentence of death passed by a Special Judge shall be subject to confirmation in the manner provided in the Code for the confirmation of a sentence of death passed by a Court of Session.

35. Any Presidency Magistrate or Magistrate of the first class who has exercised powers as such for a period of not less than two years may be invested by the Local Government with the powers of a Special Magistrate under this Ordinance.

36. Subject to the provisions of section 47, a Special Magistrate shall try such offences, other than offences punishable with death, as the Local Government or an officer empowered by the Local Government in this behalf may, by general or special order in writing, direct.

37. (1) In the trial of any case under this Ordinance, a Special Magistrate shall follow the procedure laid down in sub-section (1) of section 32 for the trial of cases by a Special Judge.

(2) In matters not coming within the scope of sub-section (1), the provision of the Code, so far as they are not inconsistent with this Ordinance, shall apply to proceedings of a Special Magistrate; and for the purpose of the said provisions the Special Magistrate shall be deemed to be a Magistrate of the first class.

38. A Special Magistrate may pass any sentence authorised by law, except a sentence of death or of transportation or imprisonment exceeding seven years.

39. (1) Where a Special Magistrate passes a sentence of transportation or imprisonment for a term exceeding one year, or of fine exceeding one thousand rupees, an appeal shall lie to the Court of Session, unless the Special Magistrate passes a sentence of transportation exceeding one year or a sentence of imprisonment exceeding four years, in which case the appeal shall lie to the High Court.

(2) An appeal under sub-section (1) shall be presented written seven days from the date of the sentence.

40. If any question arises whether, under any order made section 31 or section 36, an offence is triable by a Special Judge or Special Magistrate, the question shall be referred for decision to the Local Government, and its decision shall be final.

41. The Local Government may, by general or special order in writing, empower any Magistrate appointed under the provisions of the Code to exercise the powers of a Summary Court in any area specified in the order.

42. (1) Subject to the provisions of section 47, a Summary Court shall have power to try such offences as the District Magistrate may, by general or special order, direct :

Provided that no person shall be tried by a Summary Court for an offence not specified in sub-section (1) of section 260 of the Code which is punishable with imprisonment for a term exceeding two years.

(2) The District Magistrate may, by general or special order, give directions as to the distribution among the Summary Courts in his district of cases triable by them under sub-section (1).

43. In the trial of any case a Summary Court shall, as far as possible, follow the procedure laid down in the Code for the trial of warrant cases, and shall have all the powers conferred by the Code on a Magistrate :

Provided that the Court shall not be required to record more than a memorandum of the evidence or to frame a formal charge :

Provided further that, in the trial of any offence punishable with imprisonment for a term not exceeding one year, the court may follow the procedure for the summary trial of cases in which an appeal lies laid down in chapter XXII of the Code.

44. Summary Courts may pass any sentence which may be passed by a Magistrate of the first class.

45. (1) If a Summary Court in a case tried according to the procedure for the trial of warrant cases passes a sentence of imprisonment for a term exceeding three months or a fine exceeding two hundred rupees, or in a case tried by summary procedure passes a sentence of imprisonment for a term exceeding fifty rupees, an appeal shall lie to the Special Judge appointed for the area in which the offence was committed, or, if no Special Judge has been so appointed, to the Court of Session exercising jurisdiction in the area in which the offence was tried.

(2) An appeal under sub-section (1) shall be presented within seven days from the date of the sentence.

(3) In disposing of an appeal under this section, a Special Judge shall follow the same procedure and have the same powers as an Appellate Court follows and has under the Code.

46. (1) If a Summary Court is of opinion that an offence disclosed is one which it is not empowered to try it shall send the case for trial to the Special Judge or Special Magistrate empowered to try the case under this Ordinance, or, if no such Court has been so empowered, to an ordinary criminal court having jurisdiction.

(2) If a Summary Court is of opinion that an offence which it is empowered to try should be tried by a Court of superior jurisdiction, or that it requires a punishment in excess of that which the Summary Court is empowered to inflict, it shall stay proceedings and report the case to the District Magistrate who may—

(a) direct that the case shall be tried by a Summary Court or

(b) send it to a Court constituted under this Ordinance having jurisdiction, or to an ordinary criminal court having jurisdiction, or

(c) report it for the orders of the Local Government.

47. (1) No Court constituted under this Ordinance shall try any offence unless it is an offence punishable under this Ordinance or was committed in furtherance of movement prejudicial to the public safety or peace.

(2) The question whether or not an offence tried by a Court constituted under this Ordinance is of the nature described in sub-section (1) shall not be raised in any Court other than the Court trying the offence, and where such question is so raised then, if the Court is that of a Special Judge, the question shall be referred to the Local Government, and if the Court is that of a Special Magistrate or is a Summary Court the question shall be referred to the District Magistrate, and the decision of the Local Government or District Magistrate shall be final.

48. (1) Where any accused, in a trial before a Court, constituted under this Ordinance, has, by his voluntary act, rendered himself incapable of appearing before

the Court, or resists his production before it, or behaves before it in a persistently disorderly manner, the Court may, at any stage of the trial, by order in writing made after such inquiry as it may think fit, dispense with the attendance of such accused for such period as it may think fit, and proceed with the trial in his absence.

(2) Where a plea is required in answer to a charge from an accused whose attendance has been dispensed with under sub-section (1), such accused shall be deemed not to plead guilty.

(3) An order under sub-section (1) dispensing with the attendance of an accused shall not affect his right of being represented by a pleader at any stage of the trial, or of being present in person if he has become capable of appearing, or appears in Court and undertakes to behave in an orderly manner.

(4) Notwithstanding anything contained in the Code, no finding, sentence or order passed in a trial before a Court constituted under this Ordinance shall be held to be illegal by reason of any omission or irregularity whatsoever arising from the absence of any or all of the accused whose attendance has been dispensed with under sub-section (1).

49. Notwithstanding anything contained in the Indian Evidence Act, 1872, when the statement of any person has been recorded by any Magistrate, such statement may be admitted in evidence in any trial before a Court constituted under this Ordinance if such person is dead or cannot be found or is incapable of giving evidence, and the Court is of opinion that such death, disappearance or incapacity has been caused in the interests of the accused.

50. A Court constituted under this Ordinance shall not be required to grant an adjournment for the purpose of securing the attendance of a legal practitioner if, in the opinion of the Court, such adjournment would cause unreasonable delay in the disposal of the case.

51. Notwithstanding the provisions of the Code, or of any other law for the time being in force, or of anything having the force of law by whatsoever authority made or done, there shall, save as provided by this Ordinance, be no appeal from any order or sentence of a Court constituted under this Ordinance, and, save as aforesaid, no Court shall have authority to revise such order or sentence or to transfer any case from any order or sentence of a Court constituted under this Ordinance, and, save as aforesaid, no Court shall have authority to revise such order or sentence, or to transfer any case from any such Court, or to make any order under section 491 of the Code, or have any jurisdiction of any kind in respect of any proceedings of any such Court.

52. The provisions of the Code and of any other law for the time being in force, in so far as they may be applicable and in so far as they are not inconsistent with the provisions of this Ordinance, shall apply to all matters connected with, arising from or consequent upon to a trial by special criminal courts constituted under this Ordinance.

53. (1) Any person who has suffered any direct loss or damage by reason of action taken under section 5 or section 9 of sub-section (2) of section 11 or section 14 may, within two months from the date on which the action was taken, lodge a claim for compensation with the Local Government, or with such officer as the Local Government may appoint in this behalf.

(2) No claim for compensation may be lodged for loss or damage caused in any case where action has been taken under section 20.

(3) Any claim lodged under sub-section (1) may be investigated by such officer as the Local Government may appoint in this behalf, and any amount which may be agreed upon between the Local Government and the claimant shall be paid to him. If the amount is not agreed upon, the claim shall be decided by an Arbitration Tribunal, in the manner hereinafter provided.

54. (1) The Local Government may constitute an Arbitration Tribunal for the trial of any particular claim or claims, or of claims of a specified kind, or of claims arising within a specified area for which provision is not otherwise made.

(2) An Arbitration Tribunal shall consist of three persons, who are—

(a) Commissioners; or

(b) persons who have presided in a Civil Court of any grade for not less than five years; or

(c) persons who are qualified under sub-section (3) of section 101 of the Government of India Act for appointment as Judges of a High Court ; or

(d) persons who have exercised the powers of a Magistrate of the first class for not less than five years ; or

(e) persons having special knowledge of matters such as those which may be in dispute.

(3) The Local Government shall appoint one of the members to be President of the Tribunal.

(4) If for any reason any Member of an Arbitration Tribunal is unable to discharge his duties, the Local Government shall appoint another member in his place, and on any such change occurring it shall not be incumbent on the Tribunal to recall or re-hear any witness who has already given evidence in regard to any claim before it, and may act on any evidence already recorded by or produced before it.

55. (1) Arbitration Tribunals may take evidence on oath (which such Tribunals are hereby empowered to administer), and shall have such powers to enforce the attendance of witnesses and the production of evidence as a Civil Court has under the Code of Civil Procedure, 1908.

(2) In the event of any difference of opinion among the members of an Arbitration Tribunal, the opinion of the majority shall prevail.

(3) Subject to any rules which the Local Government may make in this behalf, the President of an Arbitration Tribunal may make orders consistent with this Ordinance to provide for the place and conduct of a trial and all other ancillary matters which he may think necessary for carrying into effect the provisions of this Ordinance.

56. In determining the compensation to be paid in respect of action taken under section 9 it shall not be necessary for an Arbitration Tribunal to have regard to the market price of the product, article or thing to which the claim relates, at the time of, or immediately prior to, such action ; but the Tribunal shall have regard to the market price which prevailed in respect of products, articles or things of like nature immediately before promulgation of this Ordinance.

57. (1) The Local Government may invest the District Magistrate with the powers of the Local Government under sub-section (1) of section 4, and may invest the District Magistrate or any Sub-divisional Magistrate, or any police officer not below the rank of Deputy Superintendent, with any of the powers of the Local Government under section 5 or section 9.

(2) The Local Government may invest any Sub-divisional Magistrate, or any police officer not below the rank of Deputy Superintendent, with any of the powers of a District Magistrate under Chapter II.

(3) The District Magistrate may by order in writing authorise any officer to exercise any of the powers of the District Magistrate under Chapter II in a specified area or in connection with a specified emergency.

58. The Governor General in Council may exercise any of the powers of a Local Government under Chapter II.

59. Except as provided in this Ordinance, no proceeding or order purporting to be taken or made under this Ordinance shall be called in question by any Court, and no civil or criminal proceeding shall be instituted against any person for anything done, or in good faith intended to be done, under this Ordinance.

60. Nothing contained in this ordinance shall be deemed to prevent any person from being prosecuted under any other law for any act or omission which constitutes an offence punishable under this Ordinance.

61. Notwithstanding anything contained in the Code, any offence punishable under this Ordinance shall be cognizable and non-bailable.

62. (1) Notwithstanding anything contained in the Code, an offence punishable under section 100, 186, 187, 188, 189, 190, 227, 228, 295A, 298, 505, 506, 507 or 508 of the Indian Penal Code, shall be cognizable and non-bailable.

(2) Notwithstanding anything contained in section 195 or section 196 of the Code, any Court otherwise competent to take cognizance of an offence punishable under section 186, 187, 188, 228, 295A or 505 of the Indian Penal Code may take cognizance of such offence upon a report in writing of facts constituting such offence made by any police officer, but shall not proceed with the trial unless it has received a complaint in respect of such offence under section 195 or section 199

as the case may be, and the absence of such complaint shall be reasonable cause within the meaning of section 344 of the Code, for postponing the commencement of the trial and for remanding the accused.

63. So long as this Ordinance remains in force, in sub-section (1) of section 4 of the Indian Press (Emergency Powers) Act, 1931, the following clauses shall be deemed to be added to clauses (a) and (b) namely :—

“(c) to seduce any officer, soldier, sailor or airman in the military, naval or air forces of His Majesty or any police officer from his allegiance or his duty, or

(d) to bring into hatred or contempt His Majesty or the Government established by law in British India or the administration of Justice in British India or any Indian Prince or Chief under the suzerainty of His Majesty, or any class or section of His Majesty's subjects in British India or to excite disaffection towards His Majesty or the said Government or any such Prince or Chief, or

(e) to put any person in fear or to cause annoyance to him and thereby induce him to deliver to any person any property or valuable security, or to do any act which he is not legally bound to do, or to omit to do any act which he is legally entitled to do, or

(f) to encourage or incite any person to interfere with the administration of the law or with the maintenance of law and order, or to commit any offence, or to refuse or defer payment of any land-revenue, tax, rate, cess or other due or amount payable to Government or to any local authority, or any rent of agricultural land or anything recoverable as arrears of or along with such rent, or

(g) to induce a public servant or a servant of a local authority to do any act or to forbear or delay to do any act connected with the exercise of his public functions or to resign his office, or

(h) to promote feelings of enmity or hatred between different classes of His Majesty's subjects, or

(i) to prejudice the recruiting of persons to serve in any of His Majesty's forces, or in any police force, or to prejudice the training, discipline or administration of any such force.”

and the provisions of that Act shall apply accordingly.

ORDINANCE NO. III OF 1932.

(4th January 1932)

An Ordinance to provide against instigation to the illegal refusal of the payment of certain liabilities.

Whereas an emergency has arisen which makes it necessary to provide against instigation to the illegal refusal of the payment of certain liabilities ;

Now therefore, in exercise of the power conferred by section 72 of the Government of India Act, the Governor General is pleased to make and promulgate the following Ordinance :—

1. (1) This Ordinance may be called the Unlawful Instigation Ordinance, 1932.

(2) It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas.

2. (1) The Governor General in Council may, by notification in the Gazette of India, empower any Local Government to make declarations under sub-section (2) and (3).

(2) A Local Government empowered in this behalf may, by notification in the local official Gazette, declare that any part of the province or the whole province shall be a notified area for the purposes of this Ordinance.

(2) Such Local Government may further, by the same or by subsequent notification, declare that in such notified area land-revenue or any sum recoverable as

arrears of land-revenue, or any tax, rate, cess or other due or amount payable to Government or to any local authority, or rent of agricultural land, or anything recoverable as arrears of or along with such rent, shall be a notified liability.

3. Whoever, by words either spoken or written, or by signs or by visible representations, or otherwise, instigates, expressly or by implication, any person or class of persons not to pay or to defer payment of any notified liability,

and whoever does any act, with intent or knowing it to be likely that any words, signs or visible representations containing such instigation shall thereby be communicated directly or indirectly to any person or class of persons, in any manner whatsoever,

shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

4. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, an offence punishable under this Ordinance shall be cognizable and non-bailable.

(2) No Magistrate shall take cognizance of any offence punishable under this Ordinance except upon a report in writing of facts which constitute such offence made by a police officer not below the rank of sub-inspector.

5. (1) Any person to whom an arrear of a notified liability is due may apply in writing to the Collector to realise it, and the Collector may, after satisfying himself that the amount claimed is due, proceed to recover it as an arrear of land-revenue, in accordance with the law applicable to the recovery of arrears of land-revenue in the area concerned.

(2) Nothing in this section shall prevent any person to whom an arrear of a notified liability is due from recovering it in accordance with the law applicable to the recovery of such arrear.

(3) No proceeding or order purporting to be taken or made under this section shall be called in question by any Court, and no civil or criminal proceeding shall be instituted against any person for anything done, or in good faith intended to be done, under this section :

Provided that any person from whom an amount has been recovered under this section in excess of the amount due from him may recover such excess in accordance with law from the person on whose behalf the Collector has realised it.

ORDINANCE NO. IV OF 1932

(4th. January, 1932)

An Ordinance to make further provision against associations dangerous to the public peace.

Whereas an emergency has arisen which makes it expedient to make further provision against associations dangerous to public peace;

Now therefore, in exercise of the power conferred by section 72 of the Government of India Act, the Governor-General is pleased to make and promulgate the following Ordinance :

1. (1) This Ordinance may be called the Unlawful Association Ordinance, 1932.

(2) This section, section 8 and section 10 extend to the whole of British India including British Beluchistan and the Sonthal Parganas, and the remaining provisions of this Ordinance shall extend only to such provinces or parts of provinces as the Governor General in Council may, by notification in the Gazette of India, specify.

(3) This section, section 8 and section 10 shall come into force at once, and the Local Government may, by notification in the local official Gazette, direct that any

or all of the remaining provisions shall come into force in any area to which they have been extended on such date as may be appointed in the notification.

2. In this Ordinance, unless there is anything repugnant in the subject or context,—

(a) "Magistrate" means, in a Presidency-town, the Chief Presidency Magistrate, and elsewhere the District Magistrate ;

(b) "Notified place" means a place notified under sub-section (1) of section 3 ;

(c) "place" includes also a house, building, tent and vessel ; and

(d) "unlawful association" means an unlawful association within the meaning of section 15 of the Indian Criminal Law Amendment Act, 1908, and includes an association which has been declared to be unlawful by the Governor General in Council under the powers conferred by section 8 of this Ordinance.

3. (1) The Local Government may, by notification in the local official Gazette, notify any place which in its opinion is used for the purposes of an unlawful association.

(2) The Magistrate, or any officer authorised in this behalf in writing by the Magistrate, may thereupon take possession of the notified place and evict therefrom any person found therein, and shall forthwith make a report of the taking of possession to the Local Government.

(3) A notified place whereof possession is taken under sub-section (2) shall be deemed to remain in the possession of Government so long as the notification under sub-section (1) in respect thereof remains in force.

4. (1) The magistrate or officer taking possession of a notified place shall also take possession of all moveable property found therein, and shall make a list thereof and submit it, with a report of the taking of possession of such moveable property, to the Local Government.

(2) If, in the opinion of the Local Government, any articles specified in the list are or may be used for the purposes of the unlawful association, the Local Government may, by order in writing, declare such articles to be forfeited to His Majesty, and may give such directions for the disposal thereof as it may think fit.

(3) All articles specified in the list which are not so forfeited shall be deemed to remain in the possession of Government so long as the notified place in which they were found remains in the possession of Government, and such articles may be used in such manner as the Magistrate may direct.

5. Any person who enters or remains upon a notified place without the permission of the Magistrate, or of an officer authorised by him in this behalf, shall be deemed to commit criminal trespass, and, notwithstanding anything contained in the Code of Criminal Procedure, 1898, any such offence of criminal trespass shall be cognizable and non-bailable.

6. Before this Ordinance ceases to have effect, or before a notification under sub-section (1) of section 3 is cancelled, the Local Government shall give such general or special directions as it may deem requisite regulating the relinquishment by Government of possession of notified places and of moveable property found thereon which has not been forfeited to His Majesty.

7. (1) Where the Local Government is satisfied, after such inquiry as it may think fit, that any monies, securities or credits are being used or are intended to be used for the purposes of an unlawful association, the Local Government may, by order in writing declare such monies, securities or credits to be forfeited to His Majesty.

(2) A copy of an order under sub-section (1) may be served on the person having custody of the monies, securities or credits, to the order of the Local Government :

Provided that, in the case of monies or securities, a copy of the order may be endorsed for execution to such officer shall have power to enter upon and search for such monies and securities in any premises where they may reasonably be suspected to be, and to seize the same.

(3) Where the Local Government has reason to believe that any person has custody of any monies, securities or credits which are being used for the purposes of an unlawful association, the Local Government may, by order in writing, prohibit such person from paying, delivering, transferring or otherwise dealing in any manner whatsoever with the same, save in accordance with the written orders of the Local Government. A copy of such order shall be served upon the person to whom it is directed.

(4) The Local Government may endorse a copy of an order under sub-section (3) for investigation to any officer it may select, and such copy shall be **warrant** whereunder such officer may enter upon any premises of the person to whom the order is directed, examine the books of such person, search for monies and securities, and make inquiries from such person, or any officer, agent or servant of such person, touching the origin of and dealings in any monies, securities or credits which the investigating officer may suspect are being used or are intended to be used for the purposes of an unlawful association.

(5) A copy of an order under this section may be served in the manner provided in the Code of Criminal Procedure, 1898, for the service of a summons, or where the person to be served is a corporation, company, bank or association of persons, it may be served on any secretary, director or other officer or person concerned with the management thereof, or by leaving it or sending it by post addressed to the corporation, company, bank or association at its registered office, at the place where it carries on business.

(6) Where an order of forfeiture is made under sub-section (1) in respect of any monies, securities or credits in respect of which a prohibitory order has been made under sub-section (3), such order of forfeiture shall have effect from the date of the prohibitory order, and the person to whom the prohibitory order was directed shall pay or deliver the whole of the monies, securities or credits forfeited, to the order of the Local Government.

(7) Where any person liable under this section to pay or deliver any monies, or securities or credits to the order of the Local Government refuses or fails to comply with any direction of the Local Government in this behalf, the Local Government may recover from such person, as arrears of land-revenue or as a fine, the amount of such monies or credits or the market value of securities.

(8) In this section, "security" means a document whereby any person acknowledges that he is under a legal liability to pay money, or whereunder any person obtains a legal right to the payment of money; and the market value of any security means the value as fixed by any officer or person deputed by the Local Government in this behalf.

8. (1) If the Governor General in Council is of opinion that any association interferes with the administration of law and order, or that it constitutes a danger to the public peace, he may, by notification in the Gazette of India, declare such association to be unlawful.

(2) An association in respect of which such declaration has been made shall be an unlawful association for the purposes of the Indian Criminal Law Amendment Act, 1908, throughout the whole of British India.

9. Every report of the taking possession of property and every declaration of forfeiture, made or purporting to be made under this Ordinance, shall, as against all persons, be conclusive proof that the property specified therein has been taken possession of by Government or has been taken under this Ordinance shall be called in question by any Court, and no civil or criminal proceeding shall be instituted against any person for anything done or in good faith intended to be done under this Ordinance, or against Government or any person acting on behalf of or by authority of Government for any loss or damage caused to or in respect of any property whereof possession has been taken by Government under this Ordinance.

10. Notwithstanding anything contained in the Code of Criminal Procedure, 1898, all offences punishable under sub-section (1) of section 17 of the Indian Criminal Law Amendment Act, 1908, shall be cognizable and non-bailable.

ORDINANCE NO. V OF 1932.

(4th. January 1932)

An Ordinance to provide against certain forms of molestation and boycotting.

Whereas an emergency has arisen which makes it necessary to provide against certain forms of molestation and boycotting :

Now therefore, in exercise of the powers conferred by section 72 of the Government of India Act, the Governor General is pleased to make and promulgate the following Ordinance :—

1. (1) This Ordinance may be called the Prevention of Molestation and Boycotting Ordinance, 1932.

(2) It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas.

(3) This section, section 2 and Chapter IV shall come into force at once and the Local Government of any province may, by notification in the local official Gazette, direct that any or all of the remaining provisions shall come into force in any area in such province on such date as may be appointed in the notification.

2. In this Ordinance “the Code” means the Code of Criminal Procedure, 1898.

3. For the purposes of this Chapter, a person is said to molest another person who,—

(a) with a view to cause such other person to abstain from doing or to do any act which such other person has a right to do or to abstain from doing, obstructs or uses violence to or intimidates such other person or anyone in whom such person is interested, or loiters at or near a house where such person or anyone in whom such person is interested resides or works or carries on business or happens to be, or persistently follows him from place to place, or interferes with any property owned or used by him or deprives him of or hinders him in the use thereof, or

(b) with a view to cause loss or knowing that loss is likely to be caused to such other person, loiters at or near the place where such person carries on business and dissuade or attempts to dissuade, by words or gesture or otherwise, any person from entering or approaching or dealing at such place.

4. Whoever molests or abets the molestation of any person shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

5. Notwithstanding anything contained in the Code, an offence punishable under section 4 shall be cognizable and non-bailable, and no Magistrate shall take cognizance of any such offence except upon a report in writing of facts which constitute such offence made by a police officer.

6. For the purposes of this Chapter,—

(a) a person is said to “boycott” another person who refuses to deal or do business with, or to supply goods to, or to let a house or land to, or to render any customary service to such person or any person in whom such person is interested, or refuses to do so on terms on which such things would be done in the ordinary course, or abstains from such professional or business relations as he would ordinarily maintain with such person ; and

(b) a “public servant” includes a public servant as defined in section 21 of the Indian Penal Code, and a servant of a local authority, and a person belonging to any class of persons which the Local Government may, by notification in the local official Gazette, declare to be public servants for the purposes of this Chapter.

7. Whoever boycotts or abets the boycotting of a public servant, or threatens a public servant with boycotting, shall be punishable with imprisonment which may extend to six months, or with fine, or with both :

Provided that no person shall be convicted under this section if the Court is satisfied that his acts were not intended to prejudice the public servant boycotted, in the discharge of duties of his office, or to cause such public servant to terminate or withhold his services in the discharge of such duties, or to commit a breach of discipline.

8. (1) An offence punishable under section 7 shall be non-cognizable, and notwithstanding anything contained in the Second Schedule to the Code, a case relating to such an offence shall, for the purposes of section 204 of the Code, be deemed to be one in which a warrant should issue in the first instance.

(2) Where information is given to the officer in charge of a police-station of the commission within the limits of such station of an offence punishable under section 7, he shall deal with it in the manner provided in the section 154 of the Code, and, notwithstanding anything contained in sub-section (1) of section 155 of the Code, he shall investigate the case as if he had received an order from a competent Magistrate under sub-section (2) of that section.

9. Whoever with intent to annoy any person, or with the knowledge that annoyance is likely to be caused to any person, performance of any mock ceremony resembling any ceremony associated with or consequent upon death shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

10. Notwithstanding anything contained in the Code, an offence punishable under section 9 shall be cognizable and non-bailable.

11. No Magistrate other than a Presidency Magistrate or a Magistrate of the first class shall take cognizance of or try any offence under this Ordinance.

12. (1) The Local Government may, by notification in the local official Gazette, declare that any offence punishable under section 188, 189, 190, 506, 507 or 508 of the Indian Penal Code when committed in any area specified in the notification, shall, notwithstanding anything contained in the Code, be cognizable and non-bailable, and thereupon the Code shall, while such notification remains in force, be deemed to be amended accordingly.

(1) Notwithstanding anything contained in section 195 of the Code, in any area in which a notification under sub-section (1) in respect of section 188 of the Indian Penal Code is in force, any Court otherwise competent to take cognizance of an offence punishable under the said section 188 may take cognizance of such offence upon a police-report being made to it under clause (a) of sub-section (1) of section 173 of the Code, but shall not proceed with the trial unless it has received a complaint in respect of such offence under section 895 or section 196 as the case may be, and the absence of such complaint shall be reasonable cause, within the meaning of section 344 of the Code, for postponing the commencement of the trial and for remanding the accused.

ORDINANCE No. VII OF 1932.

(6th. February 1932)

An Ordinance to amend the Emergency Powers Ordinance, 1932, and the Prevention of Molestation and Boycotting Ordinance, 1932.

Whereas it is necessary to amend the Emergency Powers Ordinance, 1932, and the Prevention of Molestation and Boycotting Ordinance, 1932 ;

Now therefore, in exercise of the power conferred by section 72 of the Government of India Act, the Governor General is pleased to make and promulgate the following Ordinance :—

1. This Ordinance may be called the Amending Ordinance, 1932.
2. In section 63 of the Emergency Powers Ordinance, 1932, for the portion—
‘the following clause shall be deemed to be added to clauses (a) and (b),
namely :—
“(c) to seduce any officer, soldier, sailor or” the following shall be substituted,
namely :—
‘after clause (b), the following words and clauses shall be deemed to be inserted
namely :—
“or which tend, directly or indirectly,—
(c) to seduce any officer, soldier, sailor or’.

3. For clause (b) of section 3 of the Prevention of Molestation and Boycotting Ordinance, 1932, the following shall be substituted, namely :—

“(b) loiterers at or near the place where such other person carries on business, in such a way or with intent that any person may thereby be deterred from entering or approaching or dealing at such place, or does any other act at or near such place which may have a like effect.”

ORDINANCE No. VIII OF 1932.

(29th. March 1932)

An Ordinance to supplement the Bengal Emergency Powers Ordinance, 1931, and the Emergency Powers Ordinance, 1932.

Whereas an emergency has arisen which makes it expedient to supplement the Bengal Emergency Powers Ordinance, 1931, and the Emergency Powers Ordinance, 1932 ;

Now therefore, in exercise of the powers conferred by section 72 of the Government of India Act, the Governor General is pleased to make and promulgate the following Ordinance,

1. This Ordinance may be called the Supplementing Ordinance, 1932.

2. (1) The appellate jurisdiction of a Special Tribunal under section 33 of the Bengal Emergency Powers Ordinance, 1931, shall, where the sentence is passed by a Special Magistrate in the Presidency-town of Calcutta be exercised by the High Court.

(2) The appellate jurisdiction of the Court of Session under sections 39 and 45 of the Emergency Powers Ordinance, 1932, shall, where the sentence is passed by a Special Criminal Court in a Presidency-town, be exercised by the High Court.

(3) The appellate jurisdiction conferred on the High Court by sub-section (1) shall be deemed to have been conferred on the date of the promulgation of the Bengal Emergency Powers Ordinance, 1931, and the appellate jurisdiction conferred by sub-section (2) shall be deemed to have been conferred on the date of the promulgation of the Emergency Powers Ordinance, 1932 ; and a High Court may in any particular case pass any order restoring or admitting an appeal which it may think just in order to carry out the purpose of this section.

ORDINANCE NO. IX OF 1932

(28th. May 1932)

An Ordinance to confer certain special powers on the Government of Bengal for the purpose of suppressing the terrorist movement, and to provide for the trial of certain offences, the hearing of certain appeals, and the procedure in certain Courts in connection with offences arising out of the terrorist movement.

Whereas an emergency has arisen which makes it necessary to confer certain special powers on the Government of Bengal for the purpose of suppressing the terrorist movement, and to provide for the trial of certain offences, the hearing of certain appeals, and the procedure in certain Courts in connection with offences arising out of the terrorist movement.

Now therefore, in exercise of the power conferred by section 72 of the Government of India Act the Governor General is pleased to make and promulgate the following Ordinance.

1. (1) This Ordinance may be called the Bengal Emergency Powers Ordinance, 1932.

(2) It extends to the whole of Bengal, but section 2 and 3 shall apply only to the district of Chittagong unless the Governor General in Council by notification in the Gazette of India makes a declaration applying either or both of these sections to any other area.

2. (1) The Local Government, subject to the control of the Governor General in Council, may, by notification in the local official Gazette, make rules—

(a) to prevent communication with absconders and to secure information of the movements of absconders ;

(b) to prevent attacks on the persons and property of His Majesty's subjects, or to secure information of such attacks and of designs to make such attacks ;

(c) to secure the safety of His Majesty's forces and

(d) to provide for the custody pending production before a Court of prisoners taken in circumstances in which the provisions of the Code of Criminal Procedure, 1898, cannot be followed without undue inconvenience.

(2) In making a rule under this section the Local Government may provide that any contravention thereof shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

3. (1) The Local Government may invest any military officer not below the rank of Captain with any of the powers of a District Magistrate under section 6, 7, 10 or 11 of the Emergency Powers Ordinance, 1932.

(2) Where the Local Government has invested the District Magistrate with the powers of a Local Government under section 5 or section 9 of the Emergency Powers Ordinance, 1932, the District Magistrate may, subject in the case of a delegation of powers under section 5 to the control of the Local Government, delegate the powers so vested in him to any military officer not below the rank of Captain.

(3) The District Magistrate may, by order in writing, authorise any military officer to exercise any of the powers of the District Magistrate under section 6, 7, 10 or 11 of the Emergency Powers Ordinance, 1932, in a specified area or in connection with a specified operation or series of operations.

4. (1) Where before the expiration of the Bengal Emergency Powers Ordinance, 1931, an order has been made thereunder for the trial of any person by a Special Magistrate but the trial has not begun, or where at such expiration the trial of any person is proceeding before a Special Magistrate but has not been completed, the offence may be tried or the trial may be completed, as the case may be, by such Special Magistrate, and such Special Magistrate shall continue to have and to exer-

cise for the purpose of such trial all the powers with which he was invested under the said Ordinance.

(2) Notwithstanding the expiration of the Bengal Emergency Powers Ordinance, 1931, an appeal shall lie subject to the provisions therein contained relating to appeals from any sentence passed by a Special Magistrate under that Ordinance within seven days prior to its expiration and from any sentence passed by a Special Magistrate trying an offence, or completing a trial under sub-section (1), and every such appeal and every appeal pending at the date of such expiration shall be heard and decided by the authority by which it would have been heard and decided if the said Ordinance had not expired :

Provided that the appellate jurisdiction exercisable under the said Ordinance by a Special Tribunal shall be exercised, where the sentence is passed by a Special Magistrate in the Presidency-town of Calcutta, by the High Court and, where the sentence is passed by a Special Magistrate in any district, by the Court of Session.

5. Where in a trial by Commissioners appointed under the Bengal Criminal Law Amendment Act, 1925, any person is convicted of an offence punishable under the first paragraph of section 307 of the Indian Penal Code committed after the 30th November, 1931, the Commissioners may pass on such person a sentence of death or of transportation for life.

6. (1) In any trial by Commissioners appointed under the Bengal Criminal Law Amendment Act, 1925, the Commissioners may, if they think fit, order at any stage of the trial that the public generally or any particular person shall not have access to, or be or remain in, the room or building used by the Court.

(2) In any trial by a Special Judge or a Special Magistrate appointed under the Emergency Powers Ordinance, 1932, of an offence specified in the Schedule in regard to which the Local Government certifies that in the opinion of the Local Government there are reasonable grounds for believing that such offence has been committed in furtherance of or in connection with the terrorist movement, the Special Judge or Special Magistrate, as the case may be, may, if he thinks fit, order at any stage of the trial that the public generally or any particular person shall not have access to or be or remain in, the room or building used by the Court.

(3) Where in the course of any trial referred to in sub-section (1) or sub-section (2) the Advocate General certifies in writing to the Court that it is expedient in the interests of the public peace or safety, or of the peace or safety of any of the witnesses in the trial that the public generally should not have access to, or be or remain in, the room or building used by the Court, the Commissioners, Special Judge or Special Magistrate, as the case may be, shall order accordingly.

7. (1) Where any accused, in a trial by Commissioners appointed under the Bengal Criminal Law Amendment Act, 1925, has by his voluntary act rendered himself incapable of appearing before the Court or resists his production before it, or behaves before it in a persistently disorderly manner, the Court may, at any stage of the trial, by order in writing made after such inquiry as it may think fit, dispense with the attendance of such accused for such period as it may think fit, and proceed with the trial in his absence.

(2) Where a plea is required in answer to a charge from an accused whose attendance has been dispensed with under sub-section (1), such accused shall be deemed not to plead guilty.

(3) An order under sub-section (1) dispensing with the attendance of an accused shall not affect his right of being represented by a pleader at any stage of the trial, or of being present in person if he has become capable of appearing or appears in Court and undertakes to behave in an orderly manner.

(4) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, no finding, sentence or order passed in a trial by Commissioners appointed under the Bengal Criminal Law Amendment Act, 1925, shall be held to be illegal by any Court by reason of any omission or irregularity whatsoever arising from the absence of any or all of the accused whose attendance has been dispensed with under sub-section (1).

THE SCHEDULE,

(a) Any offence punishable under any of the following sections of the Indian Penal Code, namely, sections 121, 121A, 122, 123, 148, 216, 302, 304, 326, 327, 329, 332, 333, 385, 386, 387, 392, 394, 395, 396, 397, 398, 399, 400, 401, 402, 431, 435, 436, 437, 438, 449, 454, 455, 457, 458, 459, 460 and 506 ;

- (b) any offence under the Explosive Substances Act, 1908 ;
 - (c) any offence under the Indian Arms Act, 1878 ;
 - (d) any attempt or conspiracy to commit, or any abetment of, any of the above offences.
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ORDINANCE NO. X OF 1932.

(30th. June, 1932)

An Ordinance to confer special powers on Government and its officers for the purpose of maintaining law and order.

Whereas an emergency has arisen which makes it necessary to confer special powers upon Government and its officers for the purpose of maintaining law and order :

Now therefore, in exercise of the power conferred by section 72 of the Government of India Act, the Governor General is pleased to make and promulgate the following Ordinance :

1. (1) This Ordinance may be called the Special Ordinance, 1932.

(2) This Chapter and Sections 64, 74, 75, 76, 77, 78, 79 and 80 extend to the whole of British India, including British Baluchistan and the Sonthal Parganas, and the Governor General in Council may, by notification in the Gazette of India, extend any or all of the remaining sections to the said area or to any province or part of a province specified in the notification.

(3) This Chapter and sections 64, 74, 75, 76, 77, 78, 79 and 80 shall come into force at once, and the Local Government may, by notification in the local official Gazette, direct that any or all of the remaining provisions shall come into force in any area to which they have been extended, on such date as may be appointed in the notification.

2. In this Ordinance, unless there is anything repugnant in the subject or context,—

(1) "the Code" means the Code of Criminal Procedure, 1898 ; and

(2) "District Magistrate" means, in the case of a Presidency-town or the town of Rangoon, the Commissioner of Police, except in Chapter IV and VI where, in the case of a Presidency-town, it means the Chief Presidency Magistrate.

3. (1) Any officer of Government authorised in this behalf by general or special order of the Local Government may, if satisfied that there are reasonable grounds for believing that any person has acted, is acting, or is about to act, in a manner prejudicial to the public safety or peace, himself arrest such person without warrant,

(2) An arrest made by or on the direction of any officer under this section shall be reported forthwith to the Local Government by the officer so making or so directing the arrest as the case may be, and such officer may, by order in writing, commit any person so arrested to such custody as the Local Government may, by general or special order, specify in this behalf :

Provided that no person shall, unless the Local Government by special order otherwise directs, be so detained in custody for a period exceeding fifteen days :

Provided further that no person shall be so detained in custody for a period exceeding two months.

4. (1) The Local Government, if satisfied that there are reasonable grounds for believing that any person has acted, is acting, or is about to act, in a manner prejudicial to the public safety or peace or in furtherance of a movement prejudicial to the public safety or peace, may, by order in writing, give any one or more of the following directions, namely, that such person—

(a) shall not enter, reside or remain in any area specified in the order ;

(b) shall reside or remain in any area specified in the order ;
 (c) shall remove himself from, and shall not return to, any area specified in the order ;

(d) shall conduct himself in such manner, abstain from such acts, or take such order with any property in his possession or under his control, as may be specified in the order.

(2) An order made under sub-section (1) shall not, unless the Local Government by special order otherwise directs, remain in force for more than one month from the making thereof.

(3) An order made under sub-section (1) shall be served on the person to whom it relates in the manner provided in the Code for service of a summons.

5. (1) If, in the opinion of the Local Government, any land or building can be utilised as quarters or offices for public servants, or for the accommodation of troops or police, the Local Government may, by order in writing, require the occupier or other person in charge of the land or building to place it at the disposal of Government at such time as may be specified in the order, together with the whole, or any part specified in the order, or any fixtures, fittings, furniture or other things for the time being in the building ; and the Local Government may dispose of or use such land, building, fixtures, fittings, furniture or other things in such manner as it may consider expedient.

(2) In this section "building" includes any portion or portions of a building whether separately occupied or not.

6. The District Magistrate may, by order in writing, prohibit or limit, in such way as he may think necessary for the public advantage, access to any building or place in the possession or under the control of Government or of any railway administration or local authority, or to any building or place in the occupation, whether permanent or otherwise, of His Majesty's Naval, Military or Air Forces or of any police force, or to any place in the vicinity of any such building or place.

7. The District Magistrate may, by order in writing, prohibit or regulate, in such way as he may think necessary for the public advantage, traffic over any road, pathway, bridge, waterway or ferry.

8. (1) The District Magistrate may, by order in writing, require any person to make, in such form and within such time and to such authority as may be specified in the order, a return of any vehicles or means of transport owned by him or in his possession or under his control.

(2) The District Magistrate, if, in his opinion, it is necessary for the public advantage, may, by order in writing, require any person owning or having in his possession or under his control any vehicle or means of transport to take such order therewith for such period as may be specified in the order.

9. (1) The District Magistrate may, by order in writing, published in such manner as he thinks best adapted for informing the persons concerned,—

(a) prohibit, either absolutely or subject to such exception as may be specified in the order, the purchase, sale or delivery of, or other dealing in, any arms, parts of arms, ammunition or explosive substances ; or

(b) direct that any person owning or having in his possession or under his control any arms, parts of arms, ammunition or explosive substances, shall keep the same in a secure place approved by the District Magistrate or remove them to any place specified in the order.

(2) The District Magistrate may take possession of—

(a) any arms, ammunition or explosives, or

(b) any tools, machinery, implements or other material of any kind, likely, in his opinion, to be utilised, whether by the owner or by any other person, for the purpose of causing unlawful hurt or damage to any person or to any property of Government or of any railway administration or of any local authority,

and may make such orders as he may think fit for the custody and disposal thereof.

10. Any officer of Government authorised in this behalf by general or special order of the Local Government may, within any area specified in such order, require any landholder, village headman, lambedar, inamdar or Jagirdar, or any officer or servant of any local authority, or any teacher in any school, college or other educational institution to assist in the restoration and maintenance of law and order and in the protection of property in the possession or under the control of

Government or of any railway administration or local authority in such manner and within such limits as the officer so authorised may specify.

11. The District Magistrate, if in his opinion, it is necessary for the public advantage, may, in consultation with the chief postal authority in the district, control the operation of any post, telegraph, telephone or wireless office or station and, in particular, may intercept any postal article or telegraphic, telephonic or wireless message in the course of transmission, may ascertain its contents and may prohibit its further transmission.

12. The District Magistrate may—

(a) require accommodation to be provided on any railway train or any vessel for any passengers or goods, and for this purpose, exclude from such train or vessel any passengers or goods which it is already carrying or about to carry ;

(b) require that any specified person or classes of persons or persons proposing to travel to specified destination, or any specified goods or classes of goods or goods consigned to specified destinations, shall not be carried on any railway or vessel.

(c) exclude or eject any passenger from any train or vessel ;

(d) stop, or prohibit the stopping of trains or vessels at any station, or

(e) in consultation with the local railway authorities, require special trains to be provided for the conveyance of troops, or other persons.

13. The District Magistrate may, by order in writing, depute one or more police officers not below the rank of head constable, or other persons, to attend any public meeting for the purpose of causing a report to be made of the proceedings, and may, by such order, authorise the persons so deputed to take with them an escort of police officers.

Explanation.—For the purposes of this section a public meeting is any meeting which is open to the public or any class or portion of the public meeting notwithstanding that it is held in a private place and notwithstanding that admission thereto is restricted by ticket or otherwise.

14. The power to issue search-warrants conferred by section 98 of the Code shall be deemed to include a power to issue warrants authorising—

(a) the search of any place in which any Magistrate mentioned in that section has reason to believe that any offence under this Ordinance or any act prejudicial to the public safety or peace has been, is being or is about to be committed, or that preparation for the commission of any such offence or act is being made ;

(b) the seizure in or on any place searched under clause (a) of anything which the officer executing the warrant has reason to believe is being used, or is intended to be used for any purpose mentioned in that clause ; and the provisions of the Code shall, so far as may be, apply to searches made under the authority of any warrant issued, and to the disposal of any property seized, under this section.

15. Any authority on which any power is conferred by or under this Chapter may, by general or special order, authorise any person to enter and search any place the search of which such authority has reason to believe to be necessary for the purpose of—

(a) ascertaining whether it is necessary or expedient to exercise such power ; or

(b) ascertaining whether any order given, direction made, or condition prescribed in the exercise of such power has been duly complied with ; or

(c) generally, giving effect to such power or securing compliance with, or giving effect to, any order given, direction made or condition prescribed in the exercise of such power.

16. If any person disobeys or neglects to comply with an order made, direction given, or condition prescribed, in accordance with the provisions of this Chapter, the authority which made the order, gave the direction or prescribed the condition may take or cause to be taken such action as it thinks necessary to give effect thereto.

17. Whoever disobeys or neglects to comply with any order made or direction given in accordance with the provisions of section 4 shall be punishable with imprisonment which may extend to two years, or with fine, or with both.

18. Subject to the provisions of section 17, whoever disobeys, or neglects to comply with any order made, direction given, or condition prescribed in accordance

with the provisions of this Chapter or impedes the lawful exercise of any power referred to in this Chapter shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

19. (1) Any person who has suffered any direct loss or damage by reason of action taken under section 5 or sub-section (2) of section 9 may, within two months from the date on which the action was taken, lodge a claim for compensation with the Local Government, or with such officer as the Local Government may appoint in this behalf.

(2) No claim for compensation may be lodged for loss or damage caused in any case where action has been taken under section 16.

(3) Any claim lodged under sub-section (1) may be investigated by such officer as the Local Government may appoint in this behalf, and any amount which may be agreed upon between the Local Government and the claimant shall be paid to him. If the amount is not agreed upon, the claim shall be decided by an Arbitration Tribunal, in the manner hereinafter provided.

20. (1) The Local Government may constitute an Arbitration Tribunal for the trial of any particular claim or claims, or of claims of a specified kind, or of claims arising within a specified area for which provision is not otherwise made.

(2) An Arbitration Tribunal shall consist of three persons, who are—

(a) Commissioners ; or
(b) persons who have presided in a Civil Court of any grade for not less than five years ; or

(c) persons who are qualified under sub-section (3) of section 101 of the Government of India Act for appointment as Judges of a High Court ; or

(d) persons who have exercised the powers of a Magistrate of the first class for not less than five years ; or

(e) persons having special knowledge of matters such as those which may be in dispute.

(3) The Local Government shall appoint one of the members to be President of the Tribunal.

(4) If for any reason any member of an Arbitration Tribunal is unable to discharge his duties, the Local Government shall appoint another member in his place, and on any such change occurring it shall not be incumbent on the Tribunal to recall or re-hear any witness who has already given evidence in regard to any claim before it, and the Tribunal may act on any evidence already recorded by or produced before it.

21. (1) Arbitration Tribunals may take evidence on oath which such Tribunals are hereby empowered to administer, and shall have such powers to enforce the attendance of witnesses and the production of evidence as a Civil Court has under the Code of Civil Procedure, 1908.

(2) In the event of any difference of opinion among the members of an Arbitration Tribunal, the opinion of the majority shall prevail.

(3) Subject to any rules which the Local Government may make in this behalf, the President of an Arbitration Tribunal may make orders consistent with this Chapter to provide for the place and conduct of a trial and all other ancillary matters which he may think necessary for carrying into effect the provisions of this Chapter.

22. (1) The Local Government may invest the District Magistrate with the powers of the Local Government under sub-section (1) of section 4, and may invest the District Magistrate or any sub-divisional Magistrate, or any police officer not below the rank of Deputy Superintendent, with any of the powers of the Local Government under section 5.

(2) The Local Government may invest any Sub-divisional Magistrate, or any police officer not below the rank of Deputy Superintendent, with any of the powers of a District Magistrate under this Chapter.

(3) The District Magistrate may by order in writing, authorise any officer to exercise any of the powers of the District Magistrate under this Chapter in a specified area or in connection with a specified emergency.

23. The Governor General in Council may exercise any of the powers of a Local Government under this Chapter.

24. Whoever induces or attempts to induce any public servant or any servant of a local authority of any railway servant to disregard or fail in his duty as such

servant shall be punishable with imprisonment which may extend to one year, or with fine, or with both.

25. Whoever dissuades any person from entering the military or police service of His Majesty shall be punishable with imprisonment which may extend to one year, or with fine, or with both.

26. Whoever by words, whether spoken or written, or by signs or by visible or audible representations or otherwise publishes any statement, rumour or report which is false and which he has no reasonable ground to believe to be true, with intent to cause or which is likely to cause fear or alarm to the public or to any section of the public, or hatred or contempt towards any public servant, or any class of His Majesty's subjects, shall be punishable with imprisonment which may extend to one year, or with fine or with both.

27. (1) Where it appears to the Local Government that the inhabitants of any area are concerned in the commission of offences or other acts which are prejudicial to the maintenance of law and order or to the public revenues, or are harbouring persons concerned in the commission of such offences or acts, the Local Government may, by notification in the local official Gazette, impose collective fine on the inhabitants of that area.

(2) The Local Government may exempt any person or class or section of such inhabitants from liability to pay any portion of such fine.

(3) The District Magistrate, after such inquiry as he may deem necessary, shall apportion such fine among the inhabitants who are liable collectively to pay it, and such apportionment shall be made according to the District Magistrate's Judgment of the respective means of such inhabitants.

(4) The portion of such fine payable by any person may be recovered from him as a fine or as arrears of land-revenue.

(5) The Local Government may award compensation out of the proceeds of a fine realised under this section to any person who, in the opinion of the Local Government has suffered injury to person or property by the unlawful acts of the inhabitants of the area.

Explanation—For the purpose of this section, the "inhabitants" of an area includes persons who themselves or by their agents or servants occupy or hold land or other immovable property within such area, and landlords who themselves or by their agents or servants collect rents from holders or occupiers of land in such area, notwithstanding that they do not actually reside therein.

28. Whoever publishes, circulates, or repeats in public any passage from a newspaper, book or other documents copies whereof have been declared to be forfeited to His Majesty under any other law for the time being in force, shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

29. (1) Where any young person under the age of sixteen years is convicted by any Court of an offence under this Ordinance or of an offence which in the opinion of the Court has been committed in furtherance of a movement prejudicial to the public safety or peace and such young person is sentenced to fine, the Court may order that the fine shall be paid by the parent or guardian of such young person as if it had been a fine imposed upon the parent or guardian :

Provided that no such order shall be made unless the parent or guardian has had an opportunity to appear before the Court and be heard.

2 In any such case the Court may direct by its order that in default of payment of the fine by the parent or guardian, the parent or guardian shall suffer imprisonment as if the parent or guardian had himself been convicted of the offence for which the young person is convicted.

30. Courts of Criminal Jurisdiction may be constituted under this Ordinance of the following classes, namely :—

- i Special Judges ;
- ii Special magistrates ;
- iii Summary Courts ;

31. The Local Government may appoint to be a Special Judge for such area as it may think fit any officer who has acted for a period of not less than two years in exercise of the powers of a Sessions Judge under the Code.

32. Subject to the provisions of section 48, a Special Judge shall try such offences as the Local Government, or an officer empowered by the Local Government in this behalf, may, by general or special order in writing, direct.

33. (1) A Special Judge may take cognizance of offences without the accused being committed to his Court for trial, and in trying accused persons, shall follow the procedure prescribed by the Code for trial of warrant cases by Magistrates :

Provided that the Special Judge may make a memorandum only of the substance of the evidence of each witness examined, and shall not be bound to adjourn any trial for any purpose unless such adjournment is, in his opinion, necessary in the interests of Justice.

(2) In matters not coming within the scope of subsection (1), the provisions of the Code, so far as they are not inconsistent with this Ordinance, shall apply to the proceedings of a Special Judge ; and for the purpose of the said provisions, the Court of the Special Judge shall be deemed to be a Court of Session.

34. A Special Judge may pass any sentence authorised by law.

35. (1) An appeal shall lie in the case of any sentence passed by a Special Judge of death or of transportation or imprisonment for a term of two years or more, and the provisions of the Code and of the Indian Limitation Act, 1908, shall apply in respect of such appeal as if it were an appeal under the Code from a sentence passed by a Court of Session exercising Jurisdiction in the area in which the offence was committed.

(2) A sentence of death passed by a Special Judge shall be subject to confirmation in the manner provided in the Code for the confirmation of a sentence of death passed by a Court of Session.

36. Any Presidency Magistrate or Magistrate of the first class who has exercised powers as such for a period of not less than two years may be invested by the Local Government with the powers of a Special Magistrate under this Ordinance.

37. Subject to the provisions of section 48, a Special Magistrate shall try such offences, other than offences punishable with death, as the Local Government or an officer empowered by the Local Government in this behalf may, by general or special order in writing, direct.

38. (1) In the trial of any case, a Special Magistrate shall follow the procedure laid down in sub-section (1) of section 33 for the trial of cases by a Special Judge.

(2) In matters not coming within the scope of sub-section (1), the provisions of the Code, so far as they are not inconsistent with this Ordinance, shall apply to the proceeding of a Special Magistrate ; and for the purposes of the said provisions the Special Magistrate shall be deemed to be a Magistrate of the class.

39. A Special Magistrate may pass any sentence authorised by law, except a sentence of death or of transportation or imprisonment exceeding seven years.

40. (1) Where a Special Magistrate passes a sentence of transportation or imprisonment for a term exceeding one year, or of fine exceeding one thousand rupees, an appeal shall lie, where the case was tried in a Presidency-town to the High Court, and where the case was tried outside the Presidency-town as the Court of Session, unless the Special Magistrate passes sentence of transportation exceeding one year or a sentence of imprisonment exceeding four years, in which case the appeal shall lie to the High Court.

(2) An appeal under sub-section (1) shall be presented within seven days from the date of the sentence.

41. If any question arises whether, under any order made under section 32 or section 37, an offence is triable by a Special Judge or a Special Magistrate, the question shall be referred for decision to the Local Government, and its decision shall be final.

42. The Local Government may, by general or special order in writing, empower any Magistrate appointed under the provisions of the Code to exercise the powers of a Summary Court in any area specified in the order.

43. (1) Subject to the provisions of section 48, a Summary Court shall have power to try such offence as the District Magistrate may by general or special order, direct.

Provided that no person shall be tried by a Summary Court for an offence not specified in sub-section (1) of the Code which is punishable with imprisonment for a term exceeding two years.

(2) The District Magistrate may, by general or special order, give directions as to the distribution among the Summary Courts in his district of cases triable by them under sub-section (1).

44. In the trial of any case a Summary Court shall, as far as possible, follow the procedure laid down in the Code for the trial of warrant cases, and shall have all the powers conferred by the Code on a Magistrate :

Provided that the Court shall not be required to record more than a memorandum of the evidence or to frame a formal charge :

Provided further that, in the trial of any offence punishable with imprisonment for a term not exceeding one year, the Court may follow the procedure for the summary trial of cases in which an appeal lies laid down in Chapter XXII of the Code.

45. Summary Courts may pass any sentence which may be passed by a Magistrate of the first class.

46. (1) If a Summary Court in a case tried according to the procedure for the trial of warrant cases passes a sentence of imprisonment for a term exceeding three months or a fine exceeding two hundred rupees, or in a case tried by summary procedure passes a sentence of imprisonment for a term exceeding one month or a fine exceeding fifty rupees, an appeal shall lie to the Special Judge appointed for the area in which the offence was committed, or if no Special Judge has been so appointed, to the High Court or to the Court of Session according as the offence was tried in a Presidency-town or was tried outside the Presidency-towns.

(2) An appeal under sub-section (1) shall be presented within seven days from the date of the sentence.

(3) In disposing of an appeal under this section, a Special Judge shall follow the same procedure and have the same powers as an Appellate Court follows and has under the Code.

47. (1) If a Summary Court is of opinion that the offence disclosed is one which it is not empowered to try, it shall send the case for trial to the Special Judge or Special Magistrate empowered to try the case under this Ordinance or, if no such Court has been so empowered, to an ordinary criminal court having Jurisdiction.

(2) If a Summary Court is of opinion that an offence which it is empowered to try should be tried by a Court of superior jurisdiction, or that it requires a punishment in excess of that which the Summary Court is empowered to inflict, it shall stay proceedings and report the case to the District Magistrate who may—

(a) direct that the case shall be tried by a Summary Court, or

(b) send it to a Court constituted under this Ordinance having Jurisdiction, or to an ordinary criminal court having jurisdiction, or

(c) report it for the orders of the Local Government.

48. (1) No Court constituted under this Ordinance shall try any offence unless it is an offence punishable under this Ordinance or was committed in furtherance of a movement prejudicial to the public safety or peace.

(2) The question whether or not an offence tried by a Court constituted under this Ordinance is of the nature described in sub-section (1) shall not be raised in any Court other than the Court trying the offence, and where such question is so raised then, if the Court is that of a Special Judge the question shall be referred to the Local Government, and if the Court is that of a Special Magistrate or is a Summary Court the question shall be referred to the District Magistrate and the decision of the Local Government or District Magistrate shall be final.

49. (1) Where any accused, in a trial before a Court constituted under this Ordinance has, by his voluntary act, rendered himself incapable of appearing before the Court, or resists his production before it, or behaves before it in a persistently disorderly manner, the Court may, at any stage of the trial, by order in writing made after such inquiry as it may think fit, dispense with the attendance of accused for such period as it may think fit, and proceed with the trial in his absence.

(2) Where a plea required in answer to a charge from an accused whose attendance has been dispensed with under sub-section (1) such accused shall be deemed not to plead guilty.

(3) An order under sub-section (1) dispensing with the attendance of an accused shall not affect his right of being represented by a pleader at any stage of the trial, or of being present in person if he has become capable of appearing, or appears in Court and undertakes to behave in an orderly manner.

(4) Notwithstanding anything contained in the Code, no finding, sentence or order passed in a trial before a Court constituted under this Ordinance shall be held to be illegal by reason of any omission or irregularity whatsoever arising from the absence of any or all of the accused whose attendance has been dispensed with under sub-section (1).

50. Notwithstanding anything contained in the Indian Evidence Act, 1872 when the statement of any person has been recorded by any Magistrate, such statement may be admitted in evidence in any trial before a Court constituted under this Ordinance if such person is dead or cannot be found or is incapable of giving evidence, and the Court is of opinion that such death, disappearance or incapacity has been caused in the interests of the accused.

51. A Court constituted under this Ordinance shall not be required to grant an adjournment for the purpose of securing the attendance of a legal practitioner if, in the opinion of the Court, such adjournment would cause unreasonable delay in the disposal of the case.

52. Notwithstanding the provisions of the Code, or of any other law for the time being in force, or of anything having the force of law by whatsoever authority made or done, there shall, save as provided by this Ordinance, be no appeal from any order of sentence of a court constituted under this Ordinance and, save as aforesaid, no Court shall have authority to revise such order or sentence, or to transfer any case from any such Court, or to make any order under section 491 of the Code or have any jurisdiction of any kind in respect of any proceeding of any such Court.

53. The provisions of the Code and of any other law for the time being in force, in so far as they may be applicable and in so far as they are not inconsistent with the provisions of this Ordinance, shall apply to all matters connected with, arising from or consequent upon a trial by special criminal courts constituted under this Ordinance.

54. (1) The Local Government may, by notification in the local official Gazette, declare that any part of the province or the whole province shall be a notified area for the purposes of this Chapter.

(2) Such Local Government may further, by the same or by subsequent notifications, declare, that in such notified area land-revenue or any sum recoverable as arrears of land revenue, or any tax, rate, cess or other due or amount payable to Government or to any local authority, or rent of agricultural land or anything recoverable as arrears of or along with such rent, shall be a notified liability.

55. Whoever, by words either spoken or written, or by signs or by visible representations, or otherwise, instigates, expressly or by implication, any person or class of persons not to pay or to defer payment of any notified liability,

and whoever does any act, with intent or knowing it to be likely that any words, signs or visible representations containing such instigation shall thereby be communicated directly or indirectly to any person or class of persons, in any manner whatsoever

shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

56. No Court shall take cognizance of any offence punishable under this Chapter except upon a report in writing of facts which constitute such offence made by a police officer not below the rank of sub-inspector.

57. (1) Any person to whom an arrear of a notified liability is due may apply in writing to the Collector to realise it, and the Collector may, after satisfying himself that the amount claimed is due, proceed to recover it as an arrear of land-revenue, in accordance with the law applicable to the recovery of arrears of land-revenue in the area concerned.

(2) Nothing in this section shall prevent any person to whom an arrear of a notified liability is due from recovering it in accordance with the law applicable to the recovery of such arrear.

(3) Any person from whom an amount has been recovered under this section in excess of the amount due from him may recover such excess in accordance with law from the person on whose behalf the Collector has realised it.

58. In this Chapter, unless there is anything repugnant in the subject or context,—
(a) “notified place” mean a place notified under subsection (1) of section 59 ;

(b) “place” includes also a house, building, tent and vessel ; and

(c) “unlawful association” means an unlawful association within the meaning of section 15 of the Indian Criminal Law Amendment Act, 1908, and includes an association which has been declared to be unlawful by the Governor General in Council under the powers conferred by section 64.

59. (1) The Local Government may, by notification in the local official Gazette, notify any place which in its opinion is used for the purposes of an unlawful association.

(2) The District Magistrate, or any officer authorised in this behalf in writing by the District Magistrate, may thereupon take possession of the notified place and evict therefrom any person found therein, and shall forthwith make a report of the taking of possession to the Local Government.

(3) A notified place whereof possession is taken under sub-section(2) shall be deemed to remain in the possession of Government so long as the notification under sub-section (1) in respect thereof remains in force.

60. (1) The District Magistrate or officer taking possession of a notified place also take possession of all moveable property found therein, and shall make a list thereof and submit it, with a report of the taking of possession of such moveable property to the Local Government.

(2) If, in the opinion of the Local Government, any articles specified in the list are or may be used for the purposes of the unlawful association, the Local Government may, by order in writing, declare such articles to be forfeited to His Majesty, and may give such directions for the disposal thereof as it may think fit.

(3) Any articles specified in the list which are not so forfeited may be delivered by the District Magistrate to any person whom he considers to be entitled to possession thereof, or may be retained in the possession of Government and used in such manner as the District Magistrate may direct.

61. Any person who enters or remains upon a notified place without the permission of the District Magistrate, or of an officer authorised by him in this behalf, shall be deemed to commit criminal trespass, and, notwithstanding anything contained in the Code any such offence of criminal trespass shall be cognizable and non-bailable.

62. Before this Ordinance ceases to have effect, or before a notification under sub-section (1) of section 59 is cancelled, the Local Government shall give such general or special directions as it may deem requisite regulating the relinquishment by Government of possession of notified places and of moveable property found thereon whereof possession has been retained under sub-section (3) of section 60.

63. (1) Where the Local Government is satisfied, after such inquiry as it may think fit that any monies, securities or credits are being used for the purposes of an unlawful association, the Local Government may, by order in writing, declare such monies, securities or credits to be forfeited to His Majesty.

(2) A copy of an order under sub-section (1) may be served on the person having custody of the monies, securities or credits, and on the service of such copy such person shall pay or deliver the monies, securities or credits to the order of the Local Government :

Provided that in the case of monies or securities, a copy of the order may be endorsed for execution to such officer as the Local Government may select, and such officer shall have power to enter upon the search for such monies and securities in any premises where they may reasonably be suspected to be and to seize the same.

(3) Where the Local Government has reason to believe that any person has custody of any monies, securities or credits which are being used or are intended to be used for the purpose of an unlawful association, the Local Government may

by order in writing, prohibit such person from paying, delivering, transferring or otherwise dealing in any manner whatsoever with the same, save in accordance with the written order of the Local Government. A copy of such order shall be served upon the person to whom it is directed.

(4) The Local Government may endorse a copy of an order under sub-section (3) for investigation to any officer it may select, such copy shall be warrant whereunder such officer may enter upon any premises of the person to whom the order is directed, examine the books of such person, search for monies and securities, and make enquiries from such person, or any officer, agent or servant of such person, touching the origin of and dealings in any monies, securities or credits which the investigating officer may suspect are being used or are intended to be used for the purposes of an unlawful association.

(5) A copy of an order under the section may be served in the manner provided in the Code for the service of a summons, or, where the person to be served is a corporation, company, bank or association of persons, it may be served on any secretary, director or other officer or person concerned with the management thereof, or by leaving it or sending it by post addressed to the corporation, company, bank or association at its registered office, or, where there is no registered office, at the place where it carries on business.

(6) Where an order of forfeiture is made under sub-section (1) in respect of any monies, securities or credits in respect of which a prohibitory order has been made under sub-section (3), such order of forfeiture shall have effect from the date of the prohibitory order, and the person to whom the prohibitory order was directed shall pay or deliver the whole of the monies, securities, or credits forfeited, to the order of the Local Government.

(7) Where any person liable under this section to pay or deliver any monies, securities, or credits to the order of the Local Government refuses or fails to comply with any direction of the Local Government in this behalf, the Local Government may recover from such person, as arrears of land-revenue or as a fine, the amount of such monies or credits or the market value of such securities.

(8) In this section, "security" means a document whereby any person acknowledges that he is under a legal liability to pay money, or whereunder any person obtains a legal right to the payment; and the market value of any security means the value as fixed by any officer or person deputed by the Local Government in this behalf.

64. (1) If the Governor General in Council is of opinion, that any association interferes with the administration of law and order, or that it constitutes a danger to the public peace, he may, by notification in the Gazette of India, declare such association to be unlawful.

(2) An association in respect of which such declaration has been made shall be an unlawful association for the purposes of the Indian Criminal Law Amendment Act, 1908, throughout the whole of British India.

65. Every report of the taking possession of property and every declaration of forfeiture made or purporting to be made under this Chapter, shall, as against all persons, be conclusive proof that the property specified therein has been taken possession of by Government or has been forfeited, as the case may be.

66. For the purposes of this Chapter, a person is said to molest another person who,—

(a) with a view to cause such other person to abstain from doing or to do any act which such other person has a right to do or to abstain from doing, obstructs or uses violence to or intimidates such other person or anyone in whom such person is interested, or loiters, at or near a house where such person or anyone in whom such person is interested resides or works or carries on business or happens to be or persistently follows him from place to place, or interferes with any property owned or used by him or deprives him of or hinders him in the use thereof, or

(b) loiters at or near the place where such other person carries on business, in such a way or with intent that any person may thereby be deterred from entering or approaching or dealing at such place, or does any other act at or near such place which may have a like effect.

67. Whoever molests or abets the molestation of any person shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

68. No Court shall take cognizance of any offence punishable under section 67 except upon a report in writing of facts which constitute such offence made by a police officer,

69. For the purpose of this Chapter,—

(a) a person is said to “boycott” another person who refuses to deal or do business with, or to supply goods to, or to let a house or land to, or to render any customary service to such person or any person in whom such person is interested, or refuses to do so on the terms on which such things would be done in the ordinary course, or abstains from such professional business relations as he would ordinarily maintain with such person; and

(b) a “public servant” includes a public servant as defined in Section 21 of the Indian Penal Code, and a servant of a local authority, and a person belonging to any class of persons which the Local Government may, by notification in the Local official Gazette, declare to be public servants for the purposes of this Chapter.

70. Whoever boycotts or abets the boycotting of a public servant, or threatens a public servant with boycotting, shall be punishable with imprisonment which may extend to six months, or with fine or with both :

Provided that no person shall be convicted under this section if the Court is satisfied that his acts were not intended to prejudice the public servant boycotted, or proposed or threatened to be boycotted, in the discharge of the duties of his office or to cause such public servant to terminate or withhold his services in the discharge of such duties, or to commit a breach of discipline.

71. (1) An offence punishable under section 70 shall be non-cognizable and bailable, and notwithstanding anything contained in the Second Schedule to the Code, a case relating to such an offence shall, for the purposes of section 204 of the Code, be deemed to be one in which a warrant should issue in the first instance.

(2) Where information is given to the officer in charge of a police-station of the commission within the limits of such station of an offence punishable under section 154 of the Code, and he shall investigate the case as if he had received an order to that effect from a competent Magistrate.

72. Whoever with intent to annoy any person, or with the knowledge that annoyance is likely to be caused to any person, performs or takes part in or abets the performance of any mock ceremony resembling any ceremony associated with or consequent upon death shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

73. No Court other than a Court of a Presidency Magistrate or Magistrate of the first class or of a Special Judge or Special Magistrate constituted under this Ordinance shall take cognizance of or try any offence under this Chapter.

74. Notwithstanding anything contained in the Code, any offence punishable under this Ordinance shall, save as otherwise specially provided in this Ordinance, be cognizable and non-bailable.

75. Notwithstanding anything contained in the Code, all offences punishable under sub-section (1) of section 17 of the Indian Criminal Law Amendment Act, 1908, shall be cognizable and non-bailable.

76. (1) The Local Government may, by notification in the local official Gazette, declare that any offence punishable under section 160, 186, 187, 188, 189, 190, 227, 228, 295A, 296, 505, 506, 507 or 508 of the Indian Penal Code, when committed in any area specified in the notification, shall notwithstanding anything contained in the Code, be cognizable and non-bailable, and thereupon the Code, shall, while such notification remains in force, be amended accordingly.

(2) Notwithstanding anything contained in section 195 or section 196 of the Code, in any area in which a notification under sub-section (1) in respect of section 186, 187, 188, 228, 295A or 505 of the Indian Penal Code is in force, any Court otherwise competent to take cognizance of such offence may take cognizance of such offence upon a report in writing of facts constituting such offence made by any police officer, but shall not proceed with the trial unless it has received a complaint in respect of such offence under section 195 or section 196 as the case may be and the absence of such complaint shall be reasonable cause, within the meaning of section 344 of the Code, for postponing the commencement of the trial and for remanding the accused,

77. So long as this Ordinance remains in force, in sub-section (1) of section 4 of the Indian Press (Emergency Powers) Act, 1931, after clause (b), the following words and clauses shall be deemed to be inserted, namely :—

“or which tend, directly or indirectly,—

(c) to seduce any officer, soldier, sailor or airman in the military, naval or air forces of His Majesty or any police officer from his allegiance or his duty, or

(d) to bring into hatred or contempt His Majesty or the Government established by law in British India or the administration of justice in British India or any Indian Prince or Chief under the suzerainty of His Majesty, or any class or section of His Majesty's subjects in British India or to excite disaffection towards His Majesty or the said Government or any such Prince or Chief, or

(e) to put any person in fear or to cause annoyance to him and thereby induce him to deliver to any person any property or valuable security, or to do any act which he is not legally bound to do, or to omit to do any act which he is legally entitled to do, or

(f) to encourage or incite any person to interfere with the administration of the law or with the maintenance, of law and order, or to commit any offence, or to refuse or defer payment of any land-revenue, tax, rate, cess or other due or amount payable to Government or to any local authority, or any rent of agricultural land or anything recoverable as arrears of or along with such rent, or

(g) to induce a public servant or a servant of a local authority to do any act or to forbear or delay to do any act connected with the exercise of his public functions or to resign his office, or

(h) to promote feelings of enmity or hatred between different classes of His Majesty's subjects, or

(i) to prejudice the recruiting of persons to serve in any of His Majesty's forces, or in any police force, or to prejudice the training, discipline or administration of any such force.”

and the provisions of that Act shall apply accordingly.

78. Except as provided in this Ordinance, no proceeding or order purporting to be taken or made under this Ordinance, shall be called in question by any Court, and no civil or criminal proceeding shall be instituted against any person for anything done or in good faith intended to be done under this Ordinance or against any person for any loss or damage caused to or in respect of any property whereof possession has been taken under this Ordinance.

79. Nothing contained in this Ordinance shall be deemed to prevent any person from being prosecuted under any other law for any act or omission which constitutes an offence punishable under this Ordinance.

80. (1) Anything done in pursuance of any provisions of the Emergency Powers Ordinance, 1932, the Unlawful Instigation Ordinance, 1932, the Unlawful Association Ordinance, 1932, or the Prevention of Molestation and Boycotting Ordinance 1932, shall, where the corresponding provision of this Ordinance, has come into force before the 4th. day of July, 1932, be deemed on the expiry of the said Ordinances to have been done in pursuance of the corresponding provision of this Ordinance, and shall have effect, and the provisions of this Ordinance shall have effect, accordingly.

(2) Without prejudice to the generality of the foregoing provision it is hereby expressly provided that—

(a) this Ordinance shall operate to confer a right of appeal in all cases where an appeal would have lain under any provision of any of the Ordinances specified in sub-section (1), and every appeal pending at the time of the expiry of the said Ordinances, and, subject to the provisions of this Ordinance relating to the presentation of appeals, every appeal made in pursuance of this sub-section shall be heard and decided in accordance with the provisions of this ordinance ;

(b) this Ordinance shall operate to confer a power to prosecute any person for offence committed against any provision of any of the Ordinances specified in sub-section (1) and such offence shall be deemed to be an offence committed against the corresponding provision of this Ordinance.

(c) this Ordinance shall operate to confer a power to continue and complete any trial or proceeding under any provision of any of the Ordinances specified in sub-section (1) which was pending at the time of the expiry of the said Ordinance as if such trial or proceeding were a trial or proceeding begun under the corresponding provision of this Ordinance.

**PROCEEDINGS OF
THE LEGISLATIVE ASSEMBLY
&
THE COUNCIL OF STATE**

JANUARY—JUNE 1932

THE LEGISLATIVE ASSEMBLY

President :—The Hon'ble Sir Ibrahim Rahimtoola

Nominated (41)—(a) Officials (26)

1. THE HONOURABLE SIR GEORGE SCHUSTER
- *2. THE HONOURABLE SIR JOSEPH BHORE
3. THE HONOURABLE MR. H. G. HAIG
4. THE HONOURABLE SIR FRANK NOYCE
5. SIR LANCELOT GRAHAM
6. R. S. BAJPAI, Esq.
7. T. RAYAN, Esq.
8. A. G. CLOW, Esq.
9. C. W. GWYNNE, Esq.
10. P. R. RAU, Esq.
11. J. C. NIXON, Esq.
12. TIN TUT, Esq.
13. G. S. BAJPAI, Esq.
14. N. R. PILLAI, Esq.
15. MAJOR-GENERAL J. W. L. MEGAW
16. S. N. ROY, Esq.
17. SIR CHARLES WATSON
18. J. R. BLAIR, Esq.]
19. DIWAN BAHADUR, M. R. RY. U,
- RAMA RAO AVARGAL
20. A. ACOTT, Esq.
21. RAJNARAYAN BANERJI, Esq.
- 22.
23. QAZI AZIZ-UD-DIN AHMAD
- BILGRAMI
24. KHAN BAHADUR MALIK ALLAH
- BAKHSH KHAN TIWANA
25. RAM PRASHAD NARAYAN SAHI,
- Esq.
- S. G. JOG, Esq.

(b) Non-official (14)

1. SIR ZULFIQAR ALI KHAN
2. SARDAR BAHADUR SARDAR
- JAWAHAR SINGH
3. RAI BAHADUR S. C. MUKHARJEE
4. DR. FRANCIS XAVIER DESOUZA
5. RAO BAHADUR M. C. RAJAH
6. R. S. SARMA
7. N. M. JOSHI, Esq.
8. L. V. HEATHCOTE, Esq.
9. KHAN BAHADUR MAULVI RAFI-
- UDDIN AHMED
10. DR. R. D. DALAL
11. HONY. CAPTAIN RAO BAHADUR
- CH. LAL CHAND
12. CAPTAIN SHER MOHAMMED KHAN

13. LIEUT.-COLONEL SIR HENRY GIDNEY
14. MAJOR NAWAB AHMAD NAWAZ KHAN

Elected—Non-officials (104)

- A. RAMASWAMI MUDALIAR
2. B. SITARAMA RAJU, Esq.
3. MOTHAY NARASIMHA RAO, Esq.
4. M. R. RY. PONAKA GOVINDA REDDY GARU
5. T. N. RAMAKRISHNA REDDI, Esq.
6. R. K. SHANMUKHAM CHETTY, Esq.
7. DIWAN BAHADUR T. RANGA-CHARIAR
8. RAJA BAHADUR G. KRISHNAMA-CHARIAR
9. M. R. RY. B. RAJARAM PANDIAN AVARGAL
10. K. P. THAMPAN, Esq.
11. MOHAMED MUAZZAM SAHIB BAHADUR
12. MAULVI SYED MURTUZA SAHIB BAHADUR
13. KOTTAL UPPI SAHEB BAHADUR
14. SIR EDGAR WOOD,
15. RAJAH SIR VASUDEVA RAJAH, KT.
16. M. JAMAL MAHOMED SAIB
17. NAOROJI M. DUMASIA, Esq.
18. SIR COWASJEE JEHangIR
19. DIWAN LALCHAND NAVALRAI
20. N. N. ANKLESARIA, Esq.
- 21.
22. B. V. JADHAV, Esq.
23. N. R. GUNJAL, Esq.
24. RAO BAHADUR B. L. PATIL
25. RAHIMTOOLA M. CHINOH, Esq.
26. SETH HAJI ABDULLA HAROON
27. NAWAB NAHARSINGJI ISHWAR-SINGJI
28. E. F. SYKES, Esq.
29. SIR HUGH COCKE, KT
- 30.
31. SARDAR G. N. MUJUMDAR
32. H. P. MODY, Esq.
33. C. C. BISWAS, Esq.
34. NABAKUMAR SING DUDHORIA,
- Esq.
35. BABU AMAR NATH DUTTA
36. PANDIT SATYENDRANATH SEN
37. BABU KHITISH CHANDRA NEOGY

MEMBERS OF LEGISLATIVE ASSEMBLY

38. S. C. MITRA Esq
 39. SIR ABDUR RAHIM
 40. SIR ABDULLA-AL-MAMIN SUHRA-
 WARDY
 41. A. H. GHUZZNAVI, Esq
 42. HAJI CHAUDHURY MOHAMAD
 ISMAIL KHAN
 43. MD. ANWAR-UL-AZIM. Esq
 44. K. AHMED, Esq
 45. ARTHUR MOORE, Esq
 46. E. STUDD, Esq
 47. G. MORGAN, Esq
 48. SRIJUT DHIRENDRA KANTA
 LAHIRI CHAUDHURY
 49. SATISH CHANDRA SEN, Esq
 50. LALA RAMESHWAR PRASAD BAGLA
 51. CHOUDHRI ISRA
 52. KUNWAR RAGHUBIR SINGH
 53. C. S. RANGA IYER, Esq
 54. A. HOON, Esq
 55. A. DAS, Esq
 56. RAI BAHADUR D. BRIJ KISHORE
 57. RAI BAHADUR PANDIT TRILOK
 NATH BHARGAVA
 58. KHAN BAHADUR HAJI WAJIHU-
 DDIN
 59. KUNWAR HAJEE ISMAIEL ALI
 KHAN
 60. MUHAMMAD YAMIN KHAN, Esq
 61. MAULVI SIR MOHAMMAD YAKUB,
 KT
 62. DR. ZIA UDDIN AHMAD
 63. MOHAMED AZHAR ALI, Esq
 94. J. R. SCOTT, Esq
 65. LALA HARI RAJ SWARUP
 66. BHAI PARMA NAND
 67. JAGAN NATH AGGARWAL, Esq
 68. B. R. PURI, Esq
 69. HONY. LT. NAWAB MD. IBRAHIM
 ALI KHAN
 70. SHAIKH SADIQ HASAN
71. MIAN MOHAMMAD SHAH NAWAZ
 72. MAJOR NAWAB MALIK TALIB
 MEHDI KHAN
 73. SHAIKH FAZAL HAQ PIRACHA
 74. KHAN BAHADUR MARHDUM
 SAYAD
 75. SIRDAR HARBANS SINGH BRAR
 76. SARDAR SANT SINGH
 77. SIRDAR SOHAN SINGH
 78. PANDIT RAM KRISHNA JHA
 79. BABU GAYA PRASAD SINGH
 80. B. N. MISRA, Esq
 81. B. DAS, Esq
 82. BADRI LAL RASTOGI, Esq
 83. KUMAR GUPTESHWAR PRASAD
 84. RAI BAHADUR SUKHAJ ROY
 85. THAKUR MAHENDRA NATH SAH
 DEO
 86. M. MASWOOD AHMAD, Esq
 87. MAULAI BADI-UZ-ZAMAN
 88. MAULVI MUHAMMAD SHAFEE
 DAOODI
 89. BHUPUT SING, Esq
 90. RAO BAHADUR S. R. PANDIT
 91. SIR HARI SINGH GOUR KT
 92. SETH LILADHAR CHAUDHRY
 93. KHAN BAHADUR H. M. WILAYA-
 TULLAH
 94. GOSWAMI M. R. PURI
 95. T. R. PHOOKUN, Esq
 96. KUMAR GOPIKA RAMAN ROY
 97. ABDUL MATIN CHAUDHURY, Esq
 98. H. B. FOX, Esq
 99. JEHANGIR K. MUNSHI, Esq
 100. U. KYAW MYINT
 101. U. TUN AUNG
 102. JOHN TAIT, Esq
 103. BHAGAT CHANDI MAL GOLA
 104. DIWAN BAHADUR HAR BILAS
 SARDA

THE COUNCIL OF STATE

President :—The Hon'ble Sir Henry Moncrieff Smith

Nominated—(26)—(a) Officials (12)

1. HIS EXCELLENCY GENERAL SIR PHILIP WALHOUSE CHETWODE, BART
2. THE HON. SIR BROJENDRA MITTER
3. THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN
4. THE HON. MR. H. W. EMERSON
5. THE HON. MR. J. C. B. DRAKE
6. THE HON. MR. J. A. SHILLIDY
7. THE HON. MR. A. F. L. BRAYNE
8. THE HON. MR. J. N. G. JOHNSON
9. THE HONOURABLE MAJOR-GENERAL J. D. GRAHAM
10. THE HONOURABLE MR. G. R. F. TOTTENHAM
11. THE HONOURABLE RAI BAHADUR LALA CHIMMAN LAL
12. THE HON. SIR EVELYN HOWELL
- THE HONOURABLE MR. GANESH SRIKRISHNA KHAPARDE

(b) non-officials (13)

1. THE HON. SIR SANKARAN NAIR
2. THE HONOURABLE SIR DAVID DEVADOSS
3. THE HON. MR. G. A. NATESAN
4. THE HONOURABLE SIR DINSHAW WACHA
5. THE HONOURABLE MR. JYOTSNA-NATH GHOSAL
6. THE HONOURABLE NAWAB KHWAJA HABIBULLAH
7. THE HONOURABLE RAJA BIJOY SING DUDHORIA
8. THE HONOURABLE MR. BIJAY KUMAR BASU
9. THE HONOURABLE SARDAR CHARANJIT SINGH
10. THE HONOURABLE NAWAB MALIK MOHAMAD HYAT KHAN NOON
11. THE HONOURABLE SIR MANECKJI BYRAMJI DADABHOY
12. THE HONOURABLE MAJOR NAWAB SIR MOHAMED AKBAR KHAN
13. THE HONOURABLE KHAN BAHADUR SIR MUHAMMAD ISRAR HASAN KHAN KT.
5. THE HONOURABLE SAIYAD MAHAMED PADSHAH SAHIB BAHADUR
6. THE HONOURABLE SARDAR SHRI JAGANNATH MAHARAJ PANDIT
7. THE HONOURABLE MR. HORMUSJI MANECKJI MEHTA
8. THE HONOURABLE SIR PHIROZE C. SETHNA
9. THE HONOURABLE SIRDAR SAHEB SULEMAN CASSUM HAJI MITHA
10. THE HONOURABLE MR. ALLI BUKSH MOHAMED HUSSAIN
11. THE HONOURABLE MR. E MILLER
12. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE
13. THE HONOURABLE KUMAR NRIPENDRA NARAYAN SINHA
14. THE HONOURABLE MR. SATYEN-DRA CHANDRA GHOSH MOULIK
15. THE HONOURABLE MR. SYED ABDUL HAFEEZ
16. THE HONOURABLE MR. MAHMOOD SUHRAWARDY
17. THE HONOURABLE SIR PHILIP HENRY BROWN
18. THE HONOURABLE RAJA SIR RAMPAL SINGH
19. THE HONOURABLE RAI BAHADUR LALA JAGADISH PRASAD
20. THE HONOURABLE RAJA SIR MOTI CHAND KT.
21. THE HONOURABLE KHAN BAHADUR HAFIZ MUHAMMAD HALIM
22. THE HONOURABLE SHAIKH MU-SHIR HOSAIN KIDWAI
23. THE HONOURABLE RAI BAHADUR LALA RAMSARAN DAS
24. THE HONOURABLE SARDAR BAHADUR SHIVDEV SINGH UBEROI
25. THE HONOURABLE KHAN BAHADUR CHAUDRI MUHAMMAD DIN
26. THE HONOURABLE NAWAB SAHIB-HZADA SAYAD SIR MOHAMMAD MEHR SHAH KT
27. THE HONOURABLE RAI BAHADUR RADHA KRISHNA JALAN
28. THE HONOURABLE RAJA RAGHUNANDAN PRASAD SINGH
29. THE HONOURABLE MR. ABU ABDULLAH SYED HUSSAIN IMAM
30. THE HONOURABLE RAJA LAXMAN RAO BHONSLE
31. THE HONOURABLE RAI BAHADUR PROMODE CHANDRA DUTTA
32. THE HONOURABLE MR. A. HAMID
33. THE HONOURABLE MR. K. B. HARPER

Elected—Non-Officials (33)†

1. THE HONOURABLE RAJA SIR ANNAMALAI CHETTIYAR
2. THE HONOURABLE MR. YARLAGADDA RANGANAYAKALU NAIDU GARU
- 3.
4. THE HONOURABLE DIWAN BAHADUR G. NARAYANASWAMI CHETTI GARU

THE COUNCIL OF STATE

The Council of State opened its winter session at New Delhi on the 25th. FEBRUARY 1932, Sir Henry Moncreiff Smith presiding.

During Interpellations, Mr. Emerson informed Mr. Musbir Hussain Kidwai that there was no classification of prisoners as political offenders and therefore he could not say how many such offenders had gone to jail in each province in the last three years. But he placed the figures of convictions during the civil disobedience movement of 1930-31 up to the 28th March, 1931. These were: Madras, 4,314; Bombay, 11,222; Bengal, 12,285; United Provinces, 9,378; Punjab 3,77; Burma, 0; Bihar and Orissa, 12,162; Central Provinces, 4,093; Assam, 1,158; N. W. F.: 927; Coorg, 9 and Delhi 1,173.

Mr. Emerson further informed Mr. Kidwai that during the 12 months ending Jan. 31 this year there were 13 terrorist outrages with fatal results of which six were in Bengal and none in the Frontier. Mr. Emerson informed Mr. Kidwai again that 1,203 persons were jailed till the 20th February of this year in connection with the Kashmir agitation.

EXPORT OF GOLD

Mr. Brayne, Finance Secretary, informed the same member that the total value of gold exported since the abandonment of the Gold Standard was 49 crores. The distribution from Oct. 1 to Dec. 31 last was as follows: To the United Kingdom, 24.6 crores and to other countries, 10.8 crores. Practically all the gold originally consigned from India to England had been re-exported to other countries.

The Law Member introduced a *Bill amending the Civil Procedure Code* laying down the procedure in various Indian High Courts in the matter of taking evidence for foreign tribunals in civil and commercial matters.

BUDGET DISCUSSION

Mr. Russell then presented the Railway Budget after which the House adjourned till the 27th. FEBRUARY when a general discussion of the Budget took place.

Sir Maneckjee Dadabhoj was the first speaker. He said though he was prepared for the sad tale revealed in the budget, he believed that with the efforts now being made to rehabilitate the railway finances and apply the pruning knife in several directions the situation would before long improve. Surveying the revised estimates of the present year, he remarked the story was more terrible than the last year's, for the commercial lines had worked at a loss and the railway reserves had been wiped out and large sums of money had been taken as a temporary loan from the depreciation fund. It was very disheartening that the railway revenues last year and in the current year had shown an aggregate loss of over Rs. 22 crores. He pitied Mr. Russell for having to manage the railways in lean years unlike his predecessors who had prosperous years. Though he agreed that the building up of railway reserves was justified because they could be expected to come to the rescue in a financial crisis like the present, still he was glad that ruthless pruning and retrenchment were proceeding with courage and foresight and that special pay and allowances, etc., were being withdrawn. He, however, did not support the policy of affecting the progressive work of the publicity department. Some time ago he urged stricter control and supervision in expenditure on repairs and maintenance and railway stores. Sir M. Dadabhoj was glad that the capital expenditure had been reduced this year to 1,01 lakhs and that, too, for completing a line already under construction. Incidentally, Sir M. Dadabhoj reminded the House how trade in India was ruined by the present movement and appealed to the public in India and the Government of India for a reasonable and rational policy. In Bombay, he said, trade was at a standstill. The business houses opened only for 15 days in a month. The exchange remained closed probably for 20 days per month. In such a situation, he asked, how could there be a movement of traffic and how could the railway finance improve? It was required that confidence should be restored throughout not only in the Government but among the people

by allowing the latter to carry on their trade. The insane policy of obstruction all over the country to their trade required to be immediately abandoned. Proceeding, he alluded to the question of contribution to the general revenues and asked whether the contribution could not be suspended, if not abolished. In this connection he asked whether it was not the case that when the Posts and Telegraphs department was working at a loss the general revenues did not come to the rescue of that department.

Concluding, Sir M. Dadabhoy referred to Sir George Rainy's impending departure and, amidst cheers, paid a tribute of respect and appreciation for his services to India, especially his instructive and edifying speeches. He also referred to the Services of Sir Alan Parsons, Sir George Rainy's right-hand man, leaving as financial commissioner of railways, but was relieved to find that he would come back to the Council of State in a higher capacity (Finance Secretary).

Rai Bahadur Lala Ram Saran Das expressed satisfaction at the reduction of the number of officers but said the House was unable to judge whether this was adequate as the memorandum did not give the total number of officers of state railways and company railways. He advocated an early reduction of the scale of salaries of superior posts which was very high. He blamed the Government's exchange and currency policy. There was unemployment in the country which was partly responsible for the drop of 15 per cent. in the passengers carried by railways, the other main reason being that the people preferred the use of lorries. For instance, marriage parties up to a 100 miles distance patronised lorries instead of railways owing to cheapness. He dissociated himself from Sir Maneckji's view in favour of railway publicity. He complained that there was differential treatment in that no reduction had been made in the concessions shown by the railways to the Army department.

Mr. Hormusje Maneckji Mehta blamed the Government's railway freight policy. He said it was striking that many mills had as a result of that begun to consume oil instead of coal. He challenged Sir Maneckji's statement that civil disobedience was to blame and said that mills in Bombay did business, if not openly, by the back door.

Sir Maneckji.—My experience is otherwise.

Mr. G. A. Natesan drew special attention to the railway policy with reference to the purchase of stores. He recalled the promise made by Sir Charles Innes that when the Indian Stores department was formed the Railway and Military departments would make purchases through the Indian Stores department. This promise had not been fulfilled and a duplication of staff was occurring. Was it, he asked, that some vested interests were preventing the purchase of railway stores through the Indian Stores department?

Sir George Rainy, winding up the debate, referred to Lala Ram Saran Das's observation regarding the reduction of concessions to the Military department and said it was not wise to open a controversy with the Army department unless they were sure of the strength of their own artillery and what sort of barrage they were able to put across when once the battle was started with that department. As regards the new entrants Sir George Rainy said that those who were taken since last year had been clearly warned that they must be prepared for a lower scale of pay if and when such scales were decided. He did not think that by raising the rates they could bring more revenue, but possibly there was need for examination whether the existing rules in any way restricted the traffic. As for the fares, there was a tendency noticed during the last few months for passengers to travel in lower classes. But this again could be watched. Alluding to Mr. Natesan's observations as to the stores purchase, the Railway Member drew attention to the annexure to the separation convention and said that the guiding criterion was economy and efficiency. The moment the railway were satisfied that these two objects could be secured by handing over the purchase to the Stores department, their difficulties would disappear. He did not wish to enter into the controversy raised between Mr. Mehta and Sir M. Dadabhoy as to whether the civil disobedience movement was or was not responsible for the fall in the railway revenues but surely when tendencies, obviously inimical to trade, were at work destroying the confidence so essential to trade, it was only likely that so sensitive a barometer as the railway traffic return should record shocks.

On the question of contribution to the general revenue, the railway Member declared that the convention was agreed upon when the economic condition different from the present prevailed and so the point was not whether the railways ought to

pay but whether they could pay. But at least two years must elapse before the question could be usefully considered in detail, for at present they were all groping in the dark and none could forecast with confidence what was in store two years hence. Concluding, he thanked every member for the courtesy shown to him and, particularly, thanked Sir M. Dadabhoj for the kind and friendly things he had said.

OFFICIAL BILLS

29th. FEBRUARY:—The Council of State met to-day to pass several official bills. After interpellations, Sir B. L. Mitter, Law Member, moved the consideration of the *Indian Partnership Bill* as passed by the Assembly.

Sir Maneckji Dadabhoj welcomed the measure, which had solved many intricate questions of law. He maintained that commercial legislation should be made uniform. The bill would affect retrospectively the registration of partnerships.

Sir Devi Doss said the new provision regarding registration would dispense with unscrupulous litigation. He suggested that sub-clause (ii) of clause 19 should be deleted. The bill on the whole was a very satisfactory one.

On the motion of the Law member, a few drafting amendments were carried and the bill was passed.

On the motion of Mr. Drake, the *Indian Companies Act (Amendment) Bill* as passed by the Assembly, was taken into consideration and passed.

Mr. Shillidy then moved the *Bill repealing the Employees' and Workmen's Disputes Act* as passed by the Assembly. The bill was passed.

Mr. Drake moving the *Wheat Import Duty Bill* as passed by the Assembly said that considerable improvement had taken place in the prices of wheat. It would be difficult for the Government to say that if the duty were removed it would be an economic advantage. The Bill was passed.

The Council agreed to the motion of Mr. Brayne amending the *Indian Finance Supplementary and Extending Act* and passed the bill as it had emerged from the Assembly.

Sir B. L. Mitter, Law Member, moved that the *Civil Procedure Code Amendment Bill* to take evidence of foreign tribunals in civil and commercial matters be taken into consideration and passed, which was agreed to.

On Mr. Drake's motion, the *Wire and Wire Nail Industry Protection Bill* as passed by the Assembly, was taken up and passed. The Council then adjourned.

PROVINCIAL AUTONOMY

1st. MARCH:—Sir Sankaran Nair moved a resolution urging to-day the Government take such steps as may be possible to introduce immediately provincial autonomy in ment to all provinces or at least in such provinces as are in the opinion of the Secretary of State fit for the same. He quoted from the Simon Commission's report, the Government of India's despatches and the Premier's statement to show that there was general agreement that provincial autonomy was a much simpler task to introduce. The mover particularly stressed the portions of the Premier's declaration of the 1st. December, 1931, favouring immediate provincial autonomy and recognising the feeling for simultaneous central responsibility, but waiting for the public opinion on the matter. In Sir Sankaran Nair's view, since there was not the same sympathetic personality at Whitehall as Mr. Montagu, central responsibility might take years to fructify. Moreover, the civil disobedience movement had given an entirely new turn to the whole position in India. That movement had undermined respect for law and order in several places. Yet there were forces which stood for law and order and which required to be encouraged. This could only be done by the grant of immediate provincial autonomy. This might mean to some extent a reversal of the Government's policy outlined at the London conference, but he demanded it because the civil disobedience movement had engendered a spirit of disaffection and disloyalty to such an extent that any government would be impossible at the present time. In order to check that spirit something substantial was immediately called for, and only provincial autonomy would provide a good step. If there was provincial autonomy with a Minister for Law and Order in Madras the *thali* (*mangalsutra*) incident would not have occurred in the southern presidency because that particular officer would have known that he was not relying on a bureaucratic form of government, but a Government responsible to the Legislative Council. The Government knew they had to give provincial autonomy. Why not then introduce it immediately and thus check the forces of disloyalty and discord?

Sir Sankaran Nair said he was not opposed to responsibility being granted at the centre, but in view of the difficulties that attended such grant it was advisable for Indians to get something substantial in the provinces by way of complete autonomy conceded by the British Government rather than wait for a shadow responsibility in the centre. He opined that if provincial autonomy was granted the Congress would probably abandon its present policy, and the present movement of disloyalty and disaffection against the Government might cease.

Sir B. L. Mitter, the leader of the House, on behalf of the Government, explained the Government attitude. He quoted at length from the Premier's declaration of the 1st of December in which Mr. MacDonald had stated that, while provincial autonomy should not be delayed a day longer than was necessary, he realised that a partial advance did not commend itself to the conference, and that, while it was unnecessary to make an irrevocable decision, His Majesty's Government intended to press with all possible despatch with the federal plan. Upon this declaration the Government of India stood to-day and would not enter into the merits of the resolution. The official members would not, therefore, vote on the resolution and the Government would despatch to the Secretary of State for the information of His Majesty's Government a copy of the debate.

Lala Ramsaran Das said a Government responsible to the people was responsible to the Secretary of State who was 6,000 miles away. If there was to be a federation, let the federating units not claim the right to recede, for there would then be anarchy and chaos. Muslim leaders like the late Sir Muhammad Shafi and Mr. Jinnah had clearly stood for provincial autonomy and simultaneous responsibility in the centre.

Sir Phiroze Sethna, also a Round Tabler, made a spirited speech opposing the resolution, which he called as a retrograde move. He emphasised at the outset that the Congress participated in the second Round Table Conference only on the understanding that there would be provincial autonomy and simultaneous grant of responsibility at the centre. When on the 6th November, 1931, there were rumours and press reports in London of the grant of only provincial autonomy, 28 delegates sent a joint representation to the Premier affirming their stand against such a move and standing for a comprehensive scheme of responsibility. Sir Muhammad Shafi, Mr. Jinnah and others had supported this standpoint. Sir A. P. Patro, who originally stood for provincial autonomy only, had during the last week publicly declared that he was wrong in his views and that he entirely supported the idea of simultaneous and comprehensive grant of responsibility.

Proceeding, Sir Phiroze Sethna quoted from the speeches of Sir Tej Bahadur Sapru, and Mr. Jayakar (responsivists), Mr. Rangaswami Iyengar (Congress) and Sir Hubert Carr (on behalf of Europeans), all demanding responsibility at the centre. This was supported also by the London *Times*. And now for Sir Sankaran Nair to harp on provincial autonomy really surprised him. Provincial autonomy without responsible government at the centre would be a failure.

Mr. B. K. Basu (Bengal) opposed the resolution and reminded the Council that a similar resolution was defeated in the Madras Council. If the Council of State now accepted the resolution it would take them back to the position as it was when the Simon Commission had reported. Many things had happened since then. Mr. Basu quoted from the speeches of Sir T. B. Sapru, Mr. Sastri and Mr. Ramaswami Mudaliar, who were all unanimously against provincial autonomy without responsibility at the centre. Mr. Basu said it was too late in the day to delude the people with resolutions of this sort.

Mr. Ranganayakulu Naidu described the resolution as a result of confused thinking. Provincial autonomy without responsibility at the centre would be a sham, and the provincial legislatures would be mere glorified district boards. It was too late in the day to raise a controversy as to the fitness of the respective provinces for autonomy. The resolution was against the popular demand and Britain's pledges.

Sir Sankaran Nair, replying to the debate, read out a communication from Sir A. P. Patro that his view has throughout been that, pending a final structure on the basis of an all India Federation, immediate provincial autonomy should be granted. Proceeding, Sir Sankaran Nair said that the civil disobedience movement had changed the entire situation since the Premier made declaration on the 1st of December. It was to check that movement that he wanted the immediate grant of provincial autonomy. What was the use of quoting speeches made in December when since

then the situation had changed so much? The Congress would never be satisfied with anything. What was the use of showing deference to that party's views?

Before the resolution was put to the vote Sir Phiroze Sethna alluded to Sir A. P. Patro's communication read out by Sir Sankaram Nair and informed the House that Sir A. P. Patro had met him during the luncheon interval and that when he referred to the press report he (Sir A. P. Patro) admitted that he had seen the report but had not chosen to contradict it. Sir Phiroze Sethna remarked: 'Now Sir A. P. Patro says he adheres to his old views. If that is so, then I am sorry for him to-day, as I was along with other delegates when he made that statement in the plenary session of the Round Table Conference, and I withdraw the compliment I paid him to-day.'

All the official members remained neutral and the resolution was defeated by a majority of 12 votes, 16 voting against the resolution and only four for it. The latter four members were Sir Sankaran Nair, Syed Abdul Hafeez, Choudhury Muhammad Din and Mr. Narayanaswami Chetty.

FACILITIES FOR SCIONS OF ARISTOCRACY

Sardar Shri Jagannath Maharaj moved for special facilities to the young scions of the houses of Sardars, Jagirdars, inamdars and feudal aristocracy generally in India to be trained with a view to enter the higher military service under the British Government in India and to reserve for them a reasonable number of posts of commissioned officers in the army.

The Commander-in-Chief while sympathising with the mover formally opposed the resolution as it would involve a complete departure from the Government's policy if special privileges were given to these classes. Such a resolution was out of date in these days of democracy. Under the present system anybody could secure the King's commission.

The mover withdrew the resolution and at the same time urged that a certain percentage be reserved out of the nominations for the King's commissions.

'INTEREST EXCEEDING PRINCIPAL

Choudhri Muhammad Din moved for legislation that in all interest bearing monetary transactions in which the total of interest claimed exceeds the amount of the principal advanced, courts should in no case pass a decree for interest in excess of the principal amount.

Mr. Emerson, on behalf of the Government, stated that the Government of India were giving the closest attention to the assurance given in the Assembly on a similar motion of Sir Mahomed Yakub. The Government were in close communication with the local Governments from whom replies were being received.

The mover withdrew the resolution.

REPEAL OF SARDIA ACT

Raja Raghunandan Prasad wanted the Government to bring a Bill to repeal the Sarda Act during the current session. He said that this Act had been practically a dead letter since its passage. The Government by interfering with the personal laws had established a dangerous precedent.

Mr. Emerson doubted whether there was any precedent for the Government of India taking the initiative in repealing a measure which a large section of public opinion regarded as of importance in social reform. The Bill was passed by a very large majority in the Assembly and without division in this House. The Act had caused no hardship in the past two years. Nor did it interfere with social life. Criticism had been made that the Act had been ineffective. This was mistaken criticism. The Act was deliberately so drafted as to prevent its being the instrument of oppression. Its provisions were such as to make it difficult to bring them into operation in any social group unless the members of that group were in sympathy with it. The presence of the Act would have an educative effect even if cases filed under it continued to be extremely few in number. If the Act was now repealed it would be tantamount to the approval of those abuses by the legislature and the world would think that India was in favour of the continuance of the social abuses. When India was on the eve of constitutional reforms she could not afford to ignore world opinion in this matter.

The resolution was lost without division. The Council then adjourned.

2nd. MARCH:—The Council of State had a brief sitting to-day. On the motion of Mr. Darke, Commerce Secretary, the House passed the *Bgmboo Paper Pulp Industry Protection Bill* as passed by the Assembly.

Sir Maneckjee Dadabhoy, who was a member of the Fiscal Commission, referred to the fact that, according to the Tariff Board's finding, the Titaghur Mill had spent only Rs. 6 lakh for the improvement of pulp while the mill had earned one crore of rupees. He asked how many Indians had been given facilities for training.

Lala Ramsaran Das endorsed these two points.

Mr. Drake said as regards the improvement of pulp, that the mills were till recently in a bad way and now a great stimulus would be given. As regard the number of Indians receiving training, he did not have the figures, but repeated Sir George Rainy's statement in the Assembly that it was incumbent on an industry receiving protection to carry out the recommendations of the Fiscal Commission as far as possible.

3rd. MARCH:—Three non-official resolutions were discussed in the Council of State to-day, all of which were withdrawn after Government replies, which were acknowledged to be satisfactory by the movers.

PROVIDENT FUND FOR GOVT. SERVANTS

Mr. G. S. Khaparde raised the question of a provident fund scheme in the place of pensions for Government employees, and moved that, pending the introduction of a provident fund for all non-gazetted employees (superior and inferior), the payment of gratuity may be made to the families of those, who died before retirement on the basis of at least one month's pay for every completed year of service put in by the deceased employee. He reminded the Council of the resolution discussed last year, when the Finance Secretary promised that the Government's decision on provident fund would be taken within a few months. He wanted to know what had happened. If there were any difficulties in coming to an early decision, he wanted the payment of a gratuity as on railways. He instanced the most recent case of a jemadar of the Council of State dying after thirty years' service, and asked the Council to imagine the lot of the family of the man. He did not want to argue the resolution at length, unless the facts already known to the Government were disputed now.

Mr. Brayne, Finance Secretary, informed the House that since last year's debate, there was a conference between the Government of India and the representatives of the Provincial Governments when the question was discussed, and it was decided to adopt a "combination scheme" based on the English Superannuation Act, which was preferable to any system of provident fund. The report of the Actuary had been recently received on this new scheme. Now, the opinion of the Local Governments would shortly be obtained. The scheme was a very simple one, and could be introduced in favour of the existing incumbents if they wished to come in. It offered a substantial amount to the dependents of deceased servants. It had been in force in England since 1909. But if Mr. Khaparde's resolution for gratuity as a temporary measure was carried, it would cost roughly four crores of rupees, which could not be found in these times. He promised that the Government would come to an early decision on the combination scheme.

MEASURES AFFECTING HINDU PERSONAL LAWS

The Hon'ble Jagannath Maharaj Pandit moved for a committee of official and unofficial Hindu member of both the Houses of Legislature, of the beginning of each term of the Legislature, to hold office for the whole term thereof, to advise the Government upon official as well as unofficial legislative Bills that may be proposed to be introduced in either House and affecting matters of the personal and customary law of the Hindus.

He said that measures affecting personal law were frequently introduced, and while recognising that some of them were progressive, he said that others were reactionary. It was desirable that on such occasions an expert committee of both the Houses examined the Bills and offered advice in the existing condition of things a snatch-vote of either House might bring the whole of the Hindu Law into a quandary. But if the committee was appointed, expert opinion would be available before the introduction stage, and the discussion of the Bill would be on well informed lines, leading to correct judgment.

Sir B. L. Mitter, while sympathising with the object of the resolution, explained that a similar motion accepted in this House, was twice postponed by the other House. However, a resolution of a similar nature, but broader in scope, was discussed at the Round Table Conference, and he advised the mover to withdraw the motion. The mover then withdrew the resolution.

EDUCATIONAL PROGRESS IN FRONTIER

Choudhary Mahomed Din moved that early steps be taken to speed up the pace of education in the North-west Frontier Province and Baluchistan so as to bring these tracts into line with the rest of India as soon as possible. His object was that the Reforms to be introduced in the North-west Frontier should not break down by lack of education in that tract, as that result would recoil on the rest of India. As for Baluchistan, he complained that there was only one school and no college at all.

The Education Member said that there was an assumption, underlying the resolution, that all was not well with education in these two areas. The Government's efforts must be judged by two tests, firstly, by the percentage of pupils to population. As regards the first test, the Education Member informed the House that the percentage of pupils, in the Northwest Frontier Province, was higher than in United Provinces, Bihar and Orissa and the Central Provinces. As regards the second test he further informed the House that the cost was more than in any province in India including Madras, or Bengal or the Punjab. And as for its policy the Government had accepted a five-year programme, and there was nothing to cavil at in the Government's efforts. But, the Northwest Frontier would shortly become a Governor's province, and so the control of education would go into the hands of the Legislative Council. As for Baluchistan, the population was sparse and the people were backward. But the Government were doing everything.

7th MARCH:—The general Budget was presented in the Council of State to-day by Mr. Brayne, Finance secretary, before a comparatively thin House and practically deserted galleries. Mr. Brayne occupied nearly 45 minutes to explain the salient features of the Government of India's budgetary position.

EXPORT OF GOLD

8th. MARCH—The first resolution moved to-day in the Council of State related to the export of gold on which Sir George Schuster spoke in his budget speech yesterday. *Rai Bahadur Lala Jagadish Prasad* moved urging the Government to take the necessary steps for the purchase of all distress gold, now being exported to foreign countries, for the sake of reserves of the proposed central reserve bank for India.

Rai Bahadur Lala Ram Saran Das was the only supporter both during the debate and at the voting time and the resolution was rejected by 30 against two votes.

The mover said that India's financial policy was throughout regulated to suit Britain's interests. Regarding the present export of gold, the Indian Government had done nothing to prevent or check it because it suited Britain to save the price of her sterling from going down more precipitately than it had actually been. According to the Finance Secretary's recent admission in this House 49 crores worth of gold was exported since the abandonment of the gold standard of which over 24 was to the United Kingdom. In consequence of this India was becoming anaemic in terms of gold strength and purchasing power in the form of paper currency reserve or notes was very much less than the potential power of gold. India needed gold reserves for building up the reserve bank and the Government of India, instead of conniving at the policy of export of gold for the sake of temporary problematical advantage, should protect the permanent interests of the country by checking the export by themselves purchasing all the gold that came in the market. *Lala Jagadish Prasad* criticised Sir George Schuster for comparing India's position with South America and Australia and said there could be no comparison with them. He further described Sir G. Schuster's observations as fantastic distortions of half-truths and said if the gold export to other countries had remained in India she would have been today in a strong position than what it was.

Mr. Brayne, Finance Secretary, said the reserve bank, if and when established, would be of the lines proposed in Sir Basil Blackett's bill with a minimum gold

standard worth 30 crores of rupees and that at the end of five years the minimum gold must be one-fifth of the total note issue. India required 45 crores' worth of gold for the reserve bank. India was already in a sound position in this respect. What India wanted now was not gold but more sterling securities. Speaking of the distress gold, he said it was begging the question because it was the high price of gold which encouraged export. The Government considered the present position extremely favourable and saw no justification for supporting the resolution.

ENCOURAGEMENT OF INDIAN ART

Sir Phiroze Sethna then moved that if the work of mural decorations already done by the artist and students of the Indian Art Schools in New Delhi secretariat is satisfactory, their services, as soon as funds permit, be availed of for additional work not only in the secretariat but in other public buildings in New Delhi and likewise in India House, London. He regretted that the Delhi scheme had apparently been dropped by the Government of India since they published their note approving it in 1925. That scheme would have provided selected students of Indian art schools with postgraduate courses in art at a central institution in India. A scheme external to India had been put into force, namely, mural paintings at India House recently executed by four Indian students of south Kensington. It was more important for India to see the training and production in art placed on a firm and stable basis in Europe to acquire training and patronage.

Mr. Shillidy, Industries Secretary, could not accept the resolution as worded. The policy of the Government was only of encouragement of Indian art irrespective of provincial considerations. The scheme for the encouragement of Indian art prepared by his predecessor had to be suspended owing to the financial situation. It was the intention and practice of the Government that Indian artists should be employed in the decoration of public buildings in New Delhi and India House.

SEPARATION OF ANDHRA

Diwan Bahadur G. Narayanaswami Chetty moved that the Telugu districts of the Madras Presidency be separated from the rest of the presidency and constituted into a separate province called Andhra province and that a committee be appointed to report on the practical steps to be taken for this purpose and for the settlement of the boundaries of the new province and the location of his capital. He referred to the agitation on the part of Telugu speaking people during the last two decades for a separate province. An Andhra University had been already established. Although the general politics of the country had absorbed most of the enthusiasm of the leaders of Andhra province the sub-national feeling for the Andhra province was as strong as ever before. The Telugu districts had 83,000 square miles, with 1,93,00,000 inhabitants. They were bigger than the proposed provinces of Sind and Oriya. The Tamil districts were quite willing to be separated from the Telugu districts and the Madras Council had twice passed a resolution in favour of separation. Therefore there was a clear *prima facie* case for a committee of enquiry.

Sir B. L. Mitter, Law Member said the question of separation of Andhra was not considered by the Round Table Conference which only took up the specific questions of Sind and Oriya. As regards the readjustment of provinces, this was left to be done under the new constitution and to the pressure of public opinion. At the present moment there was only one enquiry and that was regarding Orissa and the labours of the committee had not yet concluded. (Mr. Mehta, a member of the committee, informed: 'We have only done one-third'.)

Sir B. L. Mitter, proceeding, said no enquiry was likely to be undertaken or concluded before the new constitution was established.

Mr. Narayanaswami Chetty withdrew his resolution though he emphasised that his demand was only for a committee of enquiry. The Council then adjourned.

GENERAL DISCUSSION OF BUDGET

11th. MARCH :—In the course of the general debate on the Budget which began in the Council of State to-day, Sir Rampal Singh said that it was a matter for satisfaction that, despite financial difficulty, some Provincial Governments had given timely remission to the agriculturists. He asked the Government to make further retrenchments, which was the only possible avenue for balancing the budget.

Mr. Jagadish Chandra Banerjee emphasised the necessity of the Government putting a stop to gold export in order to strengthen the currency. He wondered why there was so much delay and hesitation in effecting retrenchment.

Raja Laxman Rao Bhonsle was glad that the Finance Member had been able to balance the Budget. However, he requested the Government not to try to tax kerosine and other primary necessities of life.

Mr. Jagannath Maharaj Pandit hoped that the Government would make an early declaration on the Retrenchment policy of the Government. He thought that it would have been welcomed if the Government had purchased gold instead of allowing it to be exported and used it in productive industries.

Lala Ramsaran Das said that Sir George Schuster was helpless in the matter of linking the rupee with Sterling as the first Ordinance was withdrawn at the dictation of the Secretary of State. Imports had definitely fallen, and the buying power of the people had been reduced. The only method was retrenchment. As a member of the General Purposes Retrenchment Committee, he complained that the policy of Indianisation had suffered in giving effect to those recommendations. He said that there was a rumour that two members of the Public Services Commission would continue in office against the recommendations of the Committee. He further suggested the discontinuance of the putting into operation of the income tax rules. Like Mr. Natesan, Mr. Ramsarandas supported Sir M. Dadabhoi in demanding permanent "cuts" in salaries. He said that by spending too much on law and order and thereby exhausting their resources, they would leave nothing for the Federal Government.

Sir M. D. Devadoss considered the strength of the army unnecessarily high, and suggested that the Government of India should manage to obtain a rebate to the extent of 25 per cent from the British Exchequer, as the Indian Army was kept for imperial purposes as well. He felt it was strange that, while every department was cutting down expenditure, the Income-tax Department alone should ask for more, on the ground of the increased establishment necessary for dealing with a large number of assessee secured by the lowering of the minimum level. Instead of taxing kerosine and salt, he suggested a tax on tobacco and urged the restoration of the postal rates to the old level.

Sir George Schuster emphasised that there was no use in being either too pessimistic or ignoring the realities. As Sir M. Dadabhoi had stated, 95 per cent of the economic distress of India was due to world causes, but India stood favourably in comparison with what had been done by any country in the world to improve her own finances and cut down her expenditure. The retrenchment committees, by their work, had created public opinion to strengthen the hands of the Government in its economy operations. If further efforts were needed, they would be made. He opined that their ship had weathered the worst part of the storms, and the position was as sound as it could reasonably be at the present juncture, and much sounder than the position of practically every other country in the world.

At the end of the next financial year, the economic position would have to be reviewed, and the question decided whether the cut of ten per cent should be extended after the 31st March 1932. As for the salary of future entrants, the question was engaging their attention and as soon as the present session was over, it would be tackled and a decision reached. He agreed that it was a matter for congratulation that during the last three years they had been able to raise a rupee loan beyond their expectation. That was strong evidence of the sound financial position of the country. Regarding the evasion of income-tax, he hoped to discuss with the European Group measures for checking it.

The Finance Member told Sir M. D. Devadoss that the expenditure of 18 lakhs per annum on additional staff in the income-tax department was more than counterbalanced by 100 lakhs of revenue.

SANCTION FOR SUITS

After the Budget debate Sir B. L. Mitter introduced a *Bill to validate certain suits relating to public matters*. The measure, he observed, was the result of a decision by the Privy Council that the previous sanction of the Local Government must be recorded in respect of each particular suit and that the sanction of the Collector was not enough. Sir B. L. Mitter informed the House that on account of this decision a large number of pending suits would be liable to dismissal, through no fault of the plaintiffs. The Bill validated all such suits and provided for re-trial of all claims which might have been in the meantime dismissed, whether in the court of first instance or in the court of appeal, on the ground of absence of requisite sanction. The Council then adjourned till the 14th.

LEVY OF INCOME-TAX ON PENSIONS

14th. MARCH:—Sir David Devadoss moved a resolution recommending the levy of income-tax under the Income-Tax Act on all pensions and compassionate allowances paid outside India. His object, he said, was to add to the revenue of India without imposing any hardship on any. Those pensioners who resided in England would not suffer because if they paid interest on their pensions into the Indian exchequer they would get relief correspondingly in the amount payable to the British exchequer. In respect of those who stayed in the Continent and in the Irish Free State, the mover did not see why they should escape paying the tax, especially when the Indian finances were in a bad way. He calculated that if his resolution was adopted there would be an addition to the Government of India's revenue to the extent of Rs. 16 lakhs.

Mr. Brayne, Finance Secretary, while recognising the mover's solicitude for the Indian revenues opposed the resolution on legal and general grounds. He informed the House that this suggestion had been examined by the Government of India on the recommendation of the general purpose retrenchment committee. Legally, the Indian income-tax operated only in respect of residents in British India and nothing could be done in the suggested direction except as a result of an enactment by the British Parliament. Even if the House passed a resolution, what sort of machinery should the Government create in order to collect revenue? Further pensions in the case of those already retired were protected from variation by the Government of India Act. The resolution was lost by 18 against 20 votes.

STAMP DUTY ON CHEQUES

Sir David Devadoss next moved a resolution recommending the levy of a stamp duty of one anna on every cheque drawn on a bank or a banker in India. He recalled that there was a duty till 1927, when it was abolished on the ground, as stated by Sir Basil Blackett, that such abolition would encourage the banking habit. This duty was bringing Rs. 7 lakhs per annum, and now that the banking habit had developed the Government of India could expect to collect about Rs. 10 lakhs if it was now reimposed.

Mr. Brayne, Finance Secretary, said the duty was abolished in consequence of the recommendation of the Currency Commission. Last year the Banking Commission had endorsed the abolition, when it was pointed out that in consequence of the abolition there was a more extensive use of cheques even in mofussil areas. Recently, Bombay and one or two other local Governments wrote urging the reimposition of this duty so that the proceeds therefrom might help them in their present financial situation. The Government of India last month had addressed all local Governments, who in turn would consult the local commercial bodies. When replies were received from all provinces, necessary steps would be taken. The resolution was withdrawn and the House adjourned.

DEBATE ON ORDINANCE RULE

15th. MARCH:—An interesting debate took place in the Council of State to-day on the present political situation and the Government's policy in handling it, on a resolution moved by Lala Jagdish Prasad. The resolution urged, firstly, that the special powers under the Ordinances be used with the utmost moderation and restraint in order to minimise the chances of abuse of the powers by the Government's agents. Secondly, that no method of violence be employed against civil resisters except the use of the minimum force necessary for the dispersal of an unlawful assembly which in spite of an order to disperse showed a determination not to disperse, and, thirdly, that persons convicted of non-violent political offences should invariably be accorded special treatment in jails.

Lala Jagdish Prasad at the outset pointed out that he was a believer in constitutional methods and the British connection. He never accepted the principles of the Congress nor had any sympathy with their activities, however peaceful they might be. But in spite of his unbounded faith in the good qualities of the British he did not think they were immune from doing any harm. The last struggle was brought to a close by an honourable settlement between two honourable gentlemen of India and England, but unfortunately when Gandhiji was in England, engaged in constitution-making, the deplorable no-rent campaign was launched in the United Provinces. Events followed much quicker than one's comprehension and they now found themselves in the midst of a very awkward situation of rule by Ordinances and terrorism. He asked the Government why they did not bring the ordinances before the

legislature for giving its considered opinion. Within a short time it had been adequately proved with what restraint and moderation these ordinances were administered. The speaker referred to Dr. Paton's case and the *thali* incident in Malabar and many instances in Bengal and other parts of the country as to how a father was punished for the sins of the son, and pointed out that in many places the criminal tribes were being used for the assistance of the police to terrorise peaceful citizens. Regarding the treatment of political prisoners he said it was a matter for regret that the same treatment which was afforded last year was not given this time. He appealed to Government to see that their reputation and prestige advanced by humane treatment of prisoners and that the administration of justice was tempered with mercy in dealing with this movement so that discontent and disorder might disappear and prosperity and good will set in.

Mr. J. C. Banerji, supporting the resolution, made it clear that he had no sympathy with or support for the Congress and its movements, but he could not brush aside the gross abuse of powers by indiscriminate *lathi* charges and firing by the police in dealing with this undesirable movement. The ordinances had given the police a *carte blanche* and police Raj now ruled the people. He enumerated innumerable cases of misuse of powers by the police and Government agents. If Government was to retain its reputation which they had built up by their distinct services to the Crown and the country and which they sought to sustain, it must lose no time in checking their agents from indulging in the abuse of the powers entrusted to them.

Mr. H. M. Mehta did not think any one who had any sense of proportion could support the resolution. The incidents mentioned by the previous speakers were not proved to the hilt to show that the authorities had used their powers excessively. Mahatma Gandhi wanted an interview with the Viceroy on his own terms. This, neither the Government nor the Viceroy could accept without losing authority. No further justification was needed for the existence of the ordinances in the Frontier and Bengal if terrorism and the murdering of officials went on. According to him, civil disobedience could never be non-violent and it was impossible for the police to discriminate between a peaceful and a ruffian crowd. If a crowd indulged in mob violence and disorder, the police were justified in retaliating.

Mr. B. K. Basu did not appreciate the purpose of the resolution for the Government knew what they were doing. If the non-officials could render any service it was to place the facts before the Government and prove that the officials were committing excesses and then the Government in fairness should give proper redress. He did not like Government hesitating to take any action where it was proved that the police had committed an error. However, in justice to both sides, those members who had come forward to advise the Government should also turn to the Congress and ask them to abandon their unlawful activities.

Mr. Emerson, Home Secretary, made a long speech making out that the Government were adhering to the points enunciated by the mover as much as possible. He pointed out that when Mr. Gandhi was still in London at the Round Table Conference, his lieutenants in India were trying to make the position of the Government difficult. The no-rent campaign was started when the Government of the United Provinces were negotiating with the leaders of the Congress regarding the position of the agriculturists. If the movement had been allowed to proceed, there would have been a serious agrarian revolution followed by acts of anarchic violence. As for the North-West Frontier Province, Mr. Emerson asked the Council to dismiss any idea that the Government deliberately took action with a view to making Mr. Gandhi's position impossible. The facts were that the Red Shirt leaders were encouraging the peasants not to pay land revenue. There was deliberate disobedience of orders under section 144. A resolution denouncing the Government's constitutional proposals for the Frontier Province as entirely unsatisfactory was passed and an appeal was made by the Red Shirts to the Congress to launch general civil disobedience throughout the country.

As for the first part of the mover's recommendation, Mr. Emerson read out from a letter which the Government of India wrote to the local Governments in which special emphasis was laid that in using exceptional powers they should see that there was the utmost control and supervision. Of course human nature being what it was, certain individual cases of injustice were inevitable, though they were to be regretted. But the Government of India's request to the local Governments was to satisfy themselves that the facts of each particular complaint should be examined and they should correct all false or exaggerated accounts and

in all genuine cases action should be taken by way of redress to the sufferers and victims or by disciplinary measures. Thus it would be seen that the first part of the mover's resolution had been anticipated by the Government in their instructions.

As for the second part regarding the use of the minimum force in dispersing crowds after a full warning, Mr. Emerson said that the law did not require warning but the executive instructions were to the effect that wherever possible, a warning should be given. This was being followed except where the situation was dangerous. The difficulty was that non-violence was conspicuous by its absence and the police were frequently faced with an organised defiance of authority. It must not be forgotten that the ordinances were intended to deal with a dangerous movement aimed at subverting the Government. The programme of the civil disobedience movement contained all mischievous forms of activity. Any relaxation in the vigilance of the Government would be followed by the extension of dangerous activities. While the Government deplored cases like the arrest of Dr. Paton of Madras, the House must view such incidents in their proper perspective. Till the end of January there were 15,000 convictions of which 11,000 were effected under the ordinary law and 4,000 only under the ordinances. Incidents like those in Delhi during the week-end were instances of deliberate defiance of order under section 144. But the Government had always acted on the principle stated by Mr. Jagadish Prosad with some qualification.

As for the third part of the resolution about the treatment to prisoners in jails, Mr. Emerson accepted the principle and affirmed that the Government were giving effect to it in accordance with the rules framed by the committee of the legislature so far as treatment, but as regards classification the Government did not make any discrimination in favour of a prisoner merely because he was convicted in connection with a political movement.

Raja Sir Rampal Singh, while sympathising with the resolution, did not associate himself with certain expressions and opinions of the mover. From personal experience and from what he had heard he had no hesitation in saying that the Congress movement was most cruel to law-abiding people because of social boycott and picketing. But the Government of the country woke up only when there was a boisterous movement like that of the Congress. They never cared to initiate reforms of their own accord which would be more graceful. He appealed to the Government not to yield to terrorism or any words of die-hards but to treat India's claims with full justice and to give her a proper place in the commonwealth of Nations.

Rai Bahadur Lala Jagadish Prosad was glad that the Government had issued directions as recommended in the first part and they were following the principle of the second part. He was sorry they did not want to treat political prisoners in a private category, but he warned them that they would have to do it one day or other. He withdrew the resolution. The Council then adjourned.

BILL TO AMEND INSURANCE COMPANIES ACT

17th. MARCH:—*Syed Hussain Imam* introduced a bill to-day amending the Indian Life Assurance Companies Act, 1932, the object of which, he said, was to put a stop to the flight of capital, to ease the exchange, to strengthen securities and thereby to facilitate the Government's borrowing.

The bill introduced a new section as follows :—

"The whole of the life assurance fund of India and companies having head offices outside India but carrying on business in India should invest from their life fund a sum not less than the share of their Indian business in India. Not less than 25 per cent. of the life fund should be invested in Government securities as defined by the Indian Securities Act, 1886.

HONORARY JUDGES IN PRESIDENCY TOWNS

Diwan Bahadur G. Narayanaswamy Chetty moved a resolution urging amendment of the Presidency Small Causes Courts Act for appointing honorary judges in the presidency towns of Bombay, Madras and Calcutta for disposal of cases to the value of Rs. 100 and below. He said the experiment of appointing honorary magistrates for criminal cases had proved to be an unqualified success. On the civil side also they were giving considerable relief to salaried judges. He had brought forward the resolution encouraged by the success of these experiments. It was only in exceptional cases that questions would arise and in such cases suitable provision

could be made to instruct the parties to obtain a transfer to stipendiary small cause judges.

Sir B. L. Mitter, Law Member, said the resolution was attractive and merited exploration, but this was a provincial administrative subject, not subject to legislation by the Central Legislature. The Government of India could not therefore actively move in a matter in which the local Governments were primarily concerned.

But in view of the objection raised by the Law Member Diwan Bahadur Chetty withdrew the resolution. The Council then adjourned till March 24.

DUTY ON GALVANISED SHEETS

24th. MARCH:—The Council of State held a brief sitting to-day.

Mr. Drake moved a resolution that increased import duties on galvanised sheets be extended by one year up to the end of March 1932. He pointed out that the Government made a thorough enquiry into the question and they were satisfied that the increased rate of sixtyseven rupees should be extended by one year instead of two—up to the end of March 1933. Owing to financial stringency, Government were not prepared to grant a bounty. Therefore this extension was contemplated.

The general surcharge of twentyfive per cent automatically increased the duty to eightythree rupees and consequently price of imported goods had considerably increased. Mr. Drake informed the House that the Tatas had assured an out-put of fortyeight thousand tons out of eighty-four thousand tons imported. Government had considered this proposition very satisfactory and hence the protection for one more year. The resolution was carried and the Council adjourned till the 30th March.

EXTENSION OF SALT DUTY ACT

30th. MARCH:—The Council proceeded to 'transact' the only business for the day—the bill to extend the operation of the Salt Additional Import Duty Act, 1931, as passed by the Assembly.

Mr. Brayne, Finance Secretary, explained that the Tariff Board had enquired into the salt industry, whether India was self-supporting in her salt requirements or not. India required something like half a million tons yearly. In order, however, to secure the development of the salt industry a fair rate had to be fixed by the Government. The salt committee of the Assembly recommended the extension of the present system by one year, hence the necessity of the measure before the House. The Government intended to call a conference of producers and would do everything possible to push on rapidly with any internal scheme to foster the industry.

Mr. Ghose Moulik opposed the measure on behalf of the Bengal consumers, while Mr. J. C. Banerji opined that the manufacture of sea salt should be encouraged under license, which may remove a great want of the poor people living near the sea coast. As to the salt industry in Aden, he said that the board of directors of the Aden Salt Works should have a fair number of Indians on it, and the capital transferred from sterling to rupee.

Lala Ramsaran Das said that any proposal, which intended to encourage an Indian industry would have his support. The Bill was adopted and the Council adjourned.

DISCUSSION OF DETENUS BILL

4th. APRIL:—The Bengal Detenus Transfer Bill was discussed to-day in the Council of State. Mr. Emerson, Home Secretary, in moving the consideration of the bill, reminded the House that the Bengal Council had passed by an overwhelming majority a criminal law bill on the model of 1925. This was rendered necessary by a series of terrorist outrages, of which there were no less than 93 during the last twelve months. These outrages included 24 murder or attempted murders of Government officials, culminating in the attempt on the Bengal Governor at the University Convocation ceremony. In order to obtain evidence against the culprits, the Government had to adopt secret methods and in order to protect secret informers who gave evidence they found that mere detention was not enough. The Bengal Government had made out a case for their transfer, not only for the protection of secret informers but also for better discipline in camps. If the bill was passed, the detenus would be transferred to Ajmer-Merwara shortly. The Bengal Government and their officers were engaged in a grim fight with the terrorist organisation, and it was not desirable that their officers should be in daily danger of their lives.

Syed Hussain Imam opposed the Bill, remarking that detention without trial was unjustifiable on any grounds. There were many convicted prisoners who were more dangerous and yet were kept inside the jails of Bengal. But in case of the detenus who had not been tried or convicted, they were regarded by the Government as dangerous enough to be transported to other provinces. He felt sure that the Government of India would not be able to produce in the desert of Ajmer-Merwara conditions similar to those to which the detenus were accustomed in Bengal.

Mr. Suhrawardy admitted the need for coping with the emergency situation created in Bengal, but warned the Government that mere dealing with terrorists would not serve the purpose, but they must introduce liberal reforms to suit the sentiment of the country.

Mr. Ghosh Moulik did not question the principle of the bill, but stressed the need for adequate safeguards, especially in providing for detenus conditions similar to those that existed in Bengal.

Mr. J. C. Banerjee entered an emphatic protest against the bill, which was unpopular and unwanted. In view of the fact that the Government were not making provisions for travelling allowances for the relatives of detenus, it was better that the detenus were kept in Bengal jails. Mr. Banerjee explained the difficulties of the detenus regarding correspondence etc., and said if the detenus were at all transferred the Government should obtain monthly reports regarding the health of the detenus.

Raja Bejoy Sing Dudhuria objected to the rights of Habeas Corpus being taken away, and said that detention camps must be visited by those who enjoyed the confidence of public and the Government.

Lala Jagdish Prosad wanted to know regarding the functions of the two judges who would order the detention and transfer of suspected persons.

Sir B. L. Mitter replied that the local Government would place the evidence in their possession before the two judges, and they would decide whether detention was called for or not.

Mr. Emerson repeated the assurance given by Sir James Crerar that every effort would be made to reproduce in Ajmer Merwara the conditions in Bengal regarding diet, medical attendance, reading facilities, games, etc. The Government were unable to accept the principle of giving travelling allowance owing to the financial situation.

The motion for consideration of the bill was carried.

To clause 2 of the bill Mr. Ghosh Moulik moved an amendment in order to ensure that as far as practicable similar conditions of detentions as regards diet and mode of life as would have obtained in Bengal were made and also to provide for interviews and travelling allowances.

Mr. Emerson said the grant of travelling allowance would be a new departure and pointed out that it did not obtain in the case of the Bombay and Madras Regulation prisoners. The question of travelling allowance for the relatives of detenus was not even considered by the Bengal Council.

The amendment was lost.

Mr. Ghose Moulik moved another amendment imposing on the Government the obligation to obtain monthly reports of health of detenus for submission to the central Legislature and the Bengal Council.

Mr. Emerson said this procedure was unnecessary and pointed out how already through questions the members of the legislature were obtaining all available information relative to the health of detenus.

The amendment was lost.

The third amendment moved by Mr. Ghose Moulik was to clause 4. This was lost by 21 against 5 votes. It urged enabling an application to be moved on the ground that an arrest or detention was not in accordance with the procedure laid down in the local Act or this bill, and the merits of the ground of such arrest or detention shall not be called in question on such application. Along with this there was also another amendment moved by Sir David Devadoss for the deletion of clause 4.

There was general support from the non-official side of the House for the latter amendment.

The Law Member opposed it on the ground that the bill dealt with an abnormal situation. The local Act might be bad law, but it was the law of the land and anyone arrested under it was bound by the provisions of clause 4. The deletion of clause 4 would take away the very object of the bill, namely, the protection of informers and expose them to danger to their lives. The Council then adjourned.

5th. APRIL :—The House further considered to-day the clause 4 of the Bengal Detenus Transfer Bill. Mr. Ghose Moulik doubted the sincerity of the Government in carrying out the assurances given by them. Owing to the uncompromising attitude of the Government in rejecting all reasonable safeguards suggested by the members, he strongly urged the rejection of clause 4.

The clause, however, was carried by 19 against 9 votes.

Sir David Devadoss, speaking on the motion for the third reading, pleaded that there ought to be a safety valve against any wrongful arrest or detention. His contention was only that in very exceptional cases the High Court should interfere under section 491 of the Criminal Procedure Code. The speaker regretted the Government's lack of trust in the High Court. Though he lost his amendment to delete clause 4 he whole-heartedly supported the bill.

Syed Hussain Imam, opposing the entire bill, pointed out how the policy of mailed fist in Ireland had failed. As long as this system of rule by ordinance should be continued there was little hope for peace in the country. The schools and colleges produced like machines a large number of educated youths in the country and unless liberal reforms were introduced and a national programme was set up to employ these youths, the Government would miserably fail in their object.

Mr. G. A. Natesan said that it was tragic beyond description that Bengal, the home of pioneers of social reform, education, art and science should at the same time be the field for nurturing terrorists. He hoped that the new Governor of Bengal, who had enough experience in Ireland, would take a great step to initiate commercial and industrial plans to provide for the unemployed and misguided youths.

Mr. Emerson thanked the members for their support even though the measure was a repugnant one. He repeated that the assurance given in regard to this bill would be strictly observed. The Government of India as well as the Bengal Government were in agreement that detention was not completely the remedy for wiping out the revolutionary movement. Every effort was being made to evolve a constitution that would be acceptable to all people of India and which would go a long way in meeting the demands even of those who were not in agreement now. It was unnecessary to say that the Government of India would give the Bengal Government and the head of the province every measure of support not only on the preventive side but equally in the constructive and progressive fields. Concluding, Mr. Emerson hoped that this bill would cease to have effect long before the period for which the enactment provided, not because that the Government would surrender the powers while necessity existed but because there would be no further necessity for such a measure to remain on the statute book.

The bill was passed and the Council adjourned.

OFFICIAL BILLS

The Council of State passed to-day four Bills as passed by the Assembly, relating to Foreign Relations, the Air Force, the Sugar Industry and Broad-casting.

The Foreign Relations Bill raised a small discussion. Mr. J. C. Banerjee opposed it in the interests of the liberty of the Press, while Mr. Ramsarandas supported it wholeheartedly, in view of his experience of the Vernacular Press in the Punjab.

Sir Evelyn Howell assured the House that the Bill was meant to minimise the danger of war arising out of mean attacks against foreign rulers.

There was also an interesting discussion on Mr. Drake's motion to pass the Sugar Industry Protection Bill. Mr. Ghosh Maulick opposed the Bill, as it helped only capitalists. Messrs. Dhudhuria, Jagdish Prasad, J. C. Banerjee, Syed Hussain Imam and Ramsarandas supported it. The Bill was passed without a division.

The Air Force Bill was moved by Mr. Tottenham, and both Messrs. Jagdish Prasad and Imam urged the speedy Indianisation of the Force.

Mr. Ramsarandas urged that, within the next ten years, the Air Force should be manned by Indians. The Bill was passed.

The discussion on the Broadcasting Bill, which was moved by Mr. Shillidy, was short. Mr. Ramsarandas suggested that the Government should provide broadcasting sets to village schools to educate the younger generation against lawlessness.

Mr. Shillidy suggested that this point should be raised in local Councils.

The Bill was passed. The House adjourned *sine die*.

THE LEGISLATIVE ASSEMBLY

Winter Session—25th. January—6th. April 1932

The Viceroy's Opening Address

H. E. the Viceroy opened in State the winter session of the Indian Legislative Assembly at New Delhi on the 25th. January 1932 under the presidency of Sir Ibrahim Rahimtulla. The public galleries were well crowded with visitors and there was a full attendance of Members who listened with rapt attention to the Viceroy's speech. The following is the text :—

"Gentlemen, before making any reference to the numerous matters on which I propose to address you this morning, I wish to pay a tribute to the memory of the late Sir Muhammed Shafi by whose death, when acting as a Member of my Executive Council, India has been deprived of one of her most valued and trusted servants. His great ability and his forceful character, combined with his kindness and sympathy of heart, endeared him to all those who were privileged to know him. By his death I feel that I have lost a personal friend who was always to me a wise counsellor and adviser and one who, in very truth, gave his life for the service of his country. To Lady Shafi and her family, we all, I am sure, extend our deep and heart-felt sympathy in their bereavement. May she find comfort and consolation in her great distress.

Let me now welcome the Members of the Legislative Assembly to the labours of another session. The usual practice is, I understand, for the Viceroy to address the Indian Legislature as a whole, but, on this occasion, the state of business does not warrant the summoning of the Council of State before the end of the February and in view of many important issues now facing the country, I decided that I should not wait until then, but should address the hon'ble members of the Assembly on the opening day of their session. I am glad to be able to inform you that of our relations with the neighbouring countries on our borders, I have nothing to say except happily that all is well. It has been a matter of particular gratification to me and to my Government that we have lately had the privilege of welcoming as our guest in Calcutta His Highness the Prime Minister of Nepal.

To-day, however, I would ask you, as the representatives, of India for a moment to extend your vision to a wider horizon than is usually brought under observation on these occasions and to join with me in an expression of the earnest hope which we all feel and which every thinking man must feel for the success of the Disarmament Conference now about to assemble at Geneva. This Conference, the culmination of the first organised attempt yet made to find some means of settling international differences other than by the arbitrament of force, represents the outcome of five years' preliminary labours in which both in deed and in word His Majesty's Government in the United Kingdom, with the full support of the Government of India and those other members of the British Commonwealth of Nations who are also in their own right members of the League of Nations, have played a very prominent part. It will, I trust, in the years to come, be a source of pride for the Government of India and all the other Governments concerned, to reflect how, in these years of depression, when all around seemed so dark, they were taking their part in the forging of machinery which, however crude and imperfect, is designed to free mankind from the greatest of all scourges by which humanity is afflicted—the scourge of war.

THE CAPE TOWN CONFERENCE

In addressing the Indian Legislature last September at Simla, I referred to the Conference which was being convened between the representatives of the Government of India and of the Government of the Union of South Africa to discuss matters arising out of the working of the Cape Town Agreement of 1920 and the position of Indians in regard to the tenure and ownership of immovable property in the Transvaal. It is a matter of great satisfaction

to my Government that the Delegation which they have appointed has been accepted by Indian opinion as fully representative. Sir Fazl-i-Husain and Mr. G. S. Bajpai sailed from Bombay on the 16th December, 1930, while the other delegates, Sir Geoffrey Corbett, the Right Honble V. S. Srinivasa Sastri, Mrs. Naidu and Sir Darcy Lindsay reached South Africa direct from England. For the warm and cordial welcome extended to them by the Union Government my Government are deeply grateful. The Conference was opened at Cape Town on the 12th January by the Prime Minister of the Union in a spirit of friendliness and goodwill which augurs well for the success of the deliberation on which it is still engaged. Issues of great moment are involved and I am sure the hope of every right-thinking citizen of India and South Africa is that the joint efforts of the representatives of the two countries should succeed in finding a satisfactory and honourable solution of the questions at issue.

AGRICULTURAL SITUATION

Coming to a matter which is of direct and immediate concern to the people of India—the agricultural situation—I would recall to hon'ble members what I said in my speech last September. I then said that what was wanted to bring about a general improvement in the situation was a rise in prices which would come with the revival in the general economic conditions throughout the world. The prices of agricultural produce have begun to show an upward tendency, but they are still much below those to which the producer has become accustomed for several years past. An improvement in prices is indeed most welcome, but the restriction of the credit and resources of the agricultural community, which have suffered so serious a strain during the prolonged period of depression, can only be gradual. The situation, therefore, still need to be watched carefully, and I am glad to be in a position to assure you that all the Local Governments are fully alive to the necessity of dealing with it in a spirit of sympathy. I need only mention two outstanding examples. In the United Provinces, recent remissions of land revenue have amounted to Rs. 100 lakhs, and relief has been given to the tenantry by a reduction in rent amounting, in all, to well over four crores. In the Punjab, after a careful examination of the conditions in each assessment circle, remissions of land-revenue and water-rates have been sanctioned on a liberal scale, the total cost of relief during the last Kharif season being Rs. 46 lakhs. I take this opportunity of expressing my appreciation of the prompt measures which have been taken by the Local Governments in dealing with this matter, which is of vital importance to the peace and contentment of the agricultural community, which forms so large a proportion of the population of India.

In this regard I would inform Hon'ble Members that the Imperial Council of Agricultural Research, inaugurated as recently as 1929 by Lord Irwin, has succeeded in enlisting provincial co-operation in its activities to a remarkable degree, thanks to the action of the Government of India in endowing it, from its commencement, with a substantial sum-grant as well as a considerable recurring annual grant. The Council has been able, even during this period of financial stringency, to keep all its research activities in being. It has made generous grants to the provinces and the Indian Universities for the conduct of agricultural research. During the year which just closed, the Council sanctioned a sum of Rs. 9,19,129, spread over a period of five years, for a co-ordinated scheme of rice research embracing all the important rice-growing provinces in India (including Burma). It is noteworthy that, towards this wide-flung scheme of research, the Empire Marketing Board, which has been of the greatest assistance to the Council since its inception, has given an additional grant of Rs. 2,03,270. In the same period, the Council has sanctioned the establishment of a sugar-cane research station in the Bombay Deccan at a cost of Rs. 5,22,000 spread over a period of five years, out of which the share of the Council comes to about three lakhs of rupees. These two instances, by no means, exhaust the tale of the Council grants which have already given a greatly needed impetus to indigenous research in agriculture all over India.

THE BUDGETARY PROSPECTS

Gentlemen,—When I last addressed you, I referred to the financial situation, to the difficulties which had come upon India as the result of an economic crisis in the world for which there had been no parallel in history, and to the need for courageous action on our part to maintain the financial stability and credit of India. Since that day, in September, many momentous events have happened. I do

not intend to enter now upon an elaborate survey of the present financial position, for that will be most appropriately undertaken in connection with the Budget discussions which will, as usual, form an important part of the business of this session, but it is well that I should deal shortly with the main points in the present situation. Let me say, at the outset, that, when I take a broad survey of our position, as it is to-day, and compare it with the conditions in which we were placed early in September, I am filled with a feeling of deep thankfulness at the manner in which we have been enabled to overcome some of the difficulties which then confronted us, and at the great improvement which has taken place in our general position. Difficulties we still have, and I do not desire to minimise them, but we have surmounted many with a measure of success beyond anything which we could have then dared to hope and we can face the difficulties which remain with a new confidence. The present situation may be considered in two parts. First the budgetary prospect and secondly the general financial position which is concerned with matters such as the credit of India, the floating debt and the currency position.

As regards the budgetary position, in accordance with the indication which I gave when addressing you in September, the Government came forward with proposals for restoring the equilibrium, which were eventually dealt with in the special session in November. These proposals covered both retrenchment and new taxation. As regards the former, I should like again to express my feelings of appreciation to the members of the various Retrenchment Committees for the assistance which they have given to my Government. Their proposals are now being embodied in the budgetary demands for the next year, and I have every reason to believe that a very full measure of support will be given to them.

At the present time of constitutional transition, when we are working towards a new State of affairs in which a much fuller degree of responsibility will rest upon the representatives of the Legislature for the Government of the country, I think it appropriate to comment on the way in which even before these changes, I and my present Government have endeavoured to give those representatives a voice in this important matter. It is fair to say that there can hardly be any case in the world where the Executive Government has put itself more fully in the hands of the Legislature in considering practical measures such as are involved in retrenchment or has given fuller effect to the recommendations of the popular representative. As regards the new taxation-proposals, it must be admitted that the revenue returns for the first two months October and November were disappointing, but the customs returns for December showed an improvement producing, as they did, 89 lakhs more than the revenue for the corresponding month last year.

It is too early yet for us to have formed any final opinion as to the course of affairs in the next financial year. It will be necessary, as a matter of prudence, and in view of the results to date, to make some modification in the estimates from the provisional figures which were given in September but these modifications are not of sufficient magnitude to affect our general plan, and we should not feel justified in asking you at this stage to approve any substantial change in that plan or to vote any further taxation. We consider, in fact, that we are still justified in anticipating a surplus for the next financial year. In these circumstances, you will not be asked to consider a new finance bill in this session. It must of course be recognised that we are still in the midst of a world economic crisis, for which, as I have already said, there is no parallel in history. Our fate is dependent largely upon what happens in the rest of the world and particularly on whether the great European nations and America can arrive at some basis for dealing with the problem of reparations and war debts which will restore confidence in their economic future. If from any failure to accomplish this or for other reasons, there should be a serious deterioration in the world position, it may be that this will react on us and that we shall have to take measures to protect ourselves but that is a contingency which we hope will not arise and with which at any rate we are not yet faced.

Apart from this, a possible factor of disturbance in our estimates might be created if internal political troubles were allowed seriously to interfere with the country's normal economic life. That, indeed, would be a tragic development, and my Government, together with the Provincial Governments are determined to prevent its accomplishment and to give their protection to all who are engaged in business throughout the country. While I and my Government view with the greatest regret the signs which are before us, that certain interests in this country are willing to risk bringing great economic distress upon India in their attempts to embarrass the

established Government, we cannot admit into our calculations the possibility that they will succeed in achieving this end.

"A GREAT STAPLE INDUSTRY"

Having dealt with these two factors, I can say with confidence that our economic situation in India is sound and healthy and compares most favourably with that of any other country in the world. Indian products are still finding a free market abroad, and we are not, like other countries, burdened with huge stocks of unsaleable goods. Indian industry is still at work and in India's chief field of manufacture, the cotton mill, we have an example of a great staple industry still expanding, still fully employed and working at a fair margin of profit, at a time when all the great industries of the world are stagnating, restricting output, working half or quarter time, and mostly incurring losses. If I look elsewhere, I find other reasons for encouragement, as regards the future. I see for example signs of the development of something new for India in the sugar industry in which I am informed that a large number of new factories are in course of erection. If any of you, gentlemen, had leisure to tour the world to-day, I venture to assert that in no other country would you find such hopeful conditions or such grounds for encouragement. To some extent, we may claim that these results have been influenced by the measures included in the last two Finance Bills. These are grounds for hopes and optimism which exist in India at a time when the rest of the world is suffering under the deepest distress and depression. Are these hopes and possibilities to be wrecked by internal political troubles brought upon us gratuitously by a certain section of the public? That is a question which I would ask all of you to put to yourselves and which I must deal with more fully in other portions of my speech.

LINKING OF RUPEE WITH STERLING

When I turn from the budgetary position to what I have described as the general financial position, I find even greater signs for encouragement. The outstanding event in this field since I last addressed you has of course been the unlinking of Sterling from Gold. That action by the British Government confronted us in India with a difficult question, the answer to which was fully debated in the last Simla session. Looking back on the months which have passed, I think we may claim indisputably that the discussion which we then took to keep the rupee linked with sterling has worked to the benefit of India. A catastrophic change was accomplished without dislocating the machinery of business. All transactions have continued smoothly, and many of our special problems have been enormously eased. The very success of this policy, the very ease with which the change has passed, may, perhaps tend to prevent a proper appreciation of the dangers which have been avoided. It is too early yet to make a forecast as to the distant future, and our action will largely depend on world developments, but for the present we may fairly congratulate ourselves that we have taken the right path.

Let me put before you briefly some of the encouraging results which have been achieved. In the first place, the ways and means positions of the Government has been considerably eased, and the floating debt has been reduced from Rs. 34 crores to Rs. 61 crores. Then, again, we have been able to acquire very substantial sterling bonds through the market, and to pay off the whole of the £15 millions sterling loan which matured in London on January 15th without borrowing in London and without drawing on our reserves. This is a tremendous achievement. On the top of this, it has been possible to ease the local situation by a reduction in the bank rate to a more normal figure. The rupee exchange has been, and continues to be, strong, and it has been possible to work the very moderate measure to control exchange operations, which we imposed, without any embarrassment to the business community. Combined with all these events, there has been a marked improvement in India's credit and in the price of her securities, especially in London. For example, the 3½ per cent sterling securities, which in September touched 43½, now stand at 55½ and there have been similar improvements all round, in the general world of commerce. There has been a considerable easing of the situation and a considerable improvement in the rupee prices of India's main commodities especially cotton.

Now, gentlemen, I am very surprised to find that, in the midst of all these encouraging signs, when in fact the vast masses of India, whose livelihood depends on the economic position, can feel a new hope and raise their heads from depression to the first signs of light on the horizon, it has been thought fit by a certain

group, and particularly a certain section of the Press, to propagate accounts of the financial condition of India designed to cause alarm and despondency. It is said that the financial position is precarious, that we are drifting towards ruin. Those who say these things are for reasons of their own, clearly aiming at producing such results. In particular, these gentlemen urge that the export of gold is ruinous to India and that the Government's currency policy which has recently involved considerable expansion is creating a dangerous inflation which threatens our future stability. Let me deal briefly with these two points.

As regards the export of gold, what are really the facts. Those who sell gold do so because they can make a profit on their holdings. They have made an investment which has turned out well. Why should they be deprived of the opportunity to take advantage of it. There is no public ground on which this could be justified, as the export of gold at this stage is definitely and decisively to India's advantage. Most countries which like India rely on primary agricultural products for maintaining their balance of international trade and payments, are just now labouring under acute difficulties which force them to adopt extremely stringent measures for the control of exchange which greatly hamper the commerce of the country. At such a time, India is able to tap a portion of her own vast resources and by parting with a very small fraction of her immeasurable stores of gold, to realise a favourable balance of international payments. The good results of this are already apparent—a strengthening of our exchange, an easing of our bank rate and the accumulation of sterling resources which have already, as I have just pointed out, enabled us to pay off £15 millions sterling without borrowing and thus relieve the country of a capital charge of Rs. 20 crores and recurrent charge of 110 lakhs per annum. These are only a few of the public advantages and they are, as I have said combined with private profit. Why should the country not be left free to reap this advantage? A time has, indeed, come when India's huge investments in gold, which have for many years been barren and unproductive, are proving profitable to the private-holders and to the State alike. Those who would press a contrary view profess to argue that India is weakening her position by this process, but if the holding of gold in a country is to be regarded as an investment and a source of strength, of what value is it if it is never to be drawn upon? What is the use of a reserve against bad times if, when bad times come, it is not to be used? Moreover, the amounts exported are negligible in relation to India's total holding of gold. What the total holding may be, no one knows, but I may remind you, gentlemen, that India's net imports of gold during the last thirty years alone amount to no less than 550 crores worth, as valued at the time of import, or well over 700 crores if revalued at the present prices. Against this, export, since September, have amounted in value to no more than 40 crores. At the present prices, it will be seen that this volume is of no appreciable importance compared with what has been imported in recent years alone and without taking account of the vast stores which must have been accumulated before 1900.

I would further remind you that the export of gold is no new feature in India's commercial life. Large quantities have always moved in and moved out and on special occasions. India has tended to realise gold as a means of adjusting the balance of payment or in order to take advantage of profitable opportunities of selling gold against rupees. In three years, 1915, 1918 and 1921, the exports of gold exceeded the imports. In fact, it is clear, on an impartial view, that there is not only no cause for anxiety in what is now happening, but that it is conferring a great benefit on both public and private interests and proving that there are at least some occasions in the economic cycle when India's ancient tradition of investment in gold can prove to be of direct economic advantage to the country.

CURRENCY EXPANSION

Then I would turn to the other circumstances which had been referred to in certain quarters for justifying pessimism about our position—the recent expansion of our currency. It is a little curious that the same gentleman who, a few months ago, were abusing the Government for the so-called ruinous policy of contraction, should now turn round upon us with almost equal violence, when it becomes necessary once again to expand the currency and possibly thereby greatly to improve the position of the Government as the currency authority without endangering the general position. What are the facts in this case. Since September currency has

been expanded by about 43 crores, but in the earliest months of the financial year, the contraction had been 27 crores, so that, during the current financial year, there has been a net expansion of just over 16 crores. This may be balanced against the net contraction during the previous year (1930-31) of clearly 39 crores. The expansion since September has been the necessary sequel of the greater demand of the public for currency, partly to meet trade requirements which are greater owing to the rise in the rupee prices to which I have already referred, partly to cope with more active trade and partly because some of those who have sold gold are now holding currency in its place. The whole process has been perfectly normal and healthy, and of course, as you will all realise, it brings great advantage to the Government by enabling it to reduce its debt and to increase its earnings as currency authority. Gentlemen, I am satisfied that the position is not only sound and healthy, but that we are now justified in cherishing and spreading abroad a new spirit of hope for India of economic recovery.

GOVERNMENT AND THE CONFERENCE

Let me now turn to the present political situation. We are meeting to-day at a time, which is perhaps, in many ways the most anxious and critical that this country has ever passed through, a time which is full of possibilities for the future peaceful advance and prosperity of India, a time when, I am confident, I can rely on the fair and sober judgment of every Hon'ble Member in any discussions which may be raised on the present political situation during the coming session. In order to give Hon'ble Members, a perfect clear idea of the position as we see it, I propose, in the first place, to state as shortly and frankly as I can the reasons which have led me and my Government to take the drastic action which we have felt bound to undertake against the unlawful activities of the Congress Party within the last few weeks and further to tell Hon'ble Members what is the definite policy of the Government of India for the future.

Hon'ble Members are aware that I took over the duties of the Viceroy of India in April last shortly after my predecessor Lord Irwin had completed the discussions with Mr. Gandhi which resulted in what is known as the Delhi Settlement, and under the terms of which Mr. Gandhi agreed to call off his Civil Disobedience campaign. It became my duty and that of my Government to make every effort to implement the terms of the Settlement, and I can truly say that, during these past months, all officers of the Government have endeavoured, in spite of great difficulties to carry out in spirit and in letter the obligations involved in the settlement. On the other hand, it was soon clear to myself and to my colleagues that the attitude assumed by the Congress throughout the country was to regard the settlement not as a settlement at all but as a means for consolidating their position and for making preparations for a further attack on constitutional authority. None-the-less, I and my Government deliberately forbore from taking the action which, in other circumstances, these preparations would clearly have demanded.

So long as there was any hope of achieving the conditions which the Delhi Settlement was intended to secure, we continued to incur a risk which could be justified by no other consideration. We spared no effort in our attempts to persuade the responsible leaders of the Congress to abandon activities which, we were convinced, could lead only to disaster. In the United Provinces, the Local Government were actually engaged in a discussion with the representatives of the Congress when the latter declared a "no-rent" campaign, the consequences of which, had their action remained unchallenged, would have been the creation of a state of class warfare throughout the province. In the North-West Frontier Province, persistent attempts were made to obtain the co-operation of the Congress Party represented by Khan Abdul Ghaffar Khan and his followers in giving practical effect to the desire of the people, as a whole, to enjoy the same status as the other provinces. Our efforts were ignored or rejected. Week after week I received reports of a grave deterioration in the position, of the growth of a movement frankly revolutionary, conducted in the name and with the full support of the Congress which if it was allowed to continue its avowed purpose, must have imperilled the peace of the frontier and of India. Still we held our hand to the last. The Chief Commissioner, with the greatest loyalty to the policy of the Government, refrained from asking for powers and measures until he had reluctantly to report that the margin of safety had been passed, and that he could delay no longer consistently with the discharge of the duties.

NO LACK OF GOODWILL ON GOVERNMENT'S PART

There has been no lack of goodwill on my part or on that of my Government. I have appealed for co-operation personally to the leader of the Congress Party and many of his followers. I begged them to join in a common effort to secure, as rapidly as possible, responsibility for Indians to administer their affairs. I am conscious of no deviation by myself or by my Government from the path of conciliation until the Congress had themselves wantonly torn up the path. Their action in the United Provinces and on the Frontier continued, despite repeated advice and warnings compelled my Government to take measures which ran counter to our wishes and were contrary to the policy we had consistently endeavoured to pursue. Once those measures were taken, it is clear that they could not be suspended or withdrawn unless the activities that had made them necessary were definitely abandoned. The reply of the Congress was a declaration of their purpose to extend their activities throughout the length and breadth of India by a revival of Civil Disobedience to cripple the Administration. No Government worth the name could hesitate to accept the challenge. Failure to do so, would indeed make all government in this country impossible. There must be no room for misunderstanding either on the part of the public or of those who choose to disobey the law. There can be no compromise in this matter. I and my Government are determined to use, to the full, the resources of the State in fighting and defeating a movement which would otherwise remain a perpetual menace to orderly government and individual liberty. While the Government will take all the requisite steps to guard against any abuse of the special powers it has been necessary to take, there can be no relaxation of the measures now in force against Civil Disobedience so long as circumstances exist which make them necessary. If we are to elect between the barren destructive path, which if persisted in can only lead to ruin and the breaking up of laws and the better way of advancing by means of free and friendly discussion to constructive ends, surely, no reasonable man, no man who has the true interests of his country at heart, can hesitate in his choice. I look with confidence to you, gentlemen, sitting in this Assembly, which is a witness in itself of what has already been done and a promise of what may yet be achieved by the constitutional method, to support me and my Government in our vindication and maintenance of the conditions on which alone political progress can be surely and successfully pursued.

CONSTITUTIONAL REFORM

I turn now to the other side of the policy of the Government, and desire to take you into my confidence regarding the steps which are being taken to implement the programme of constitutional reform outlined in the Prime Minister's recent declaration. In the course of his description of the policy of His Majesty's Government, the Prime Minister announced the determination of the Cabinet to proceed with the detailed examination of the constitutional problems still unsolved and to pursue, without interruption, the method of co-operative consideration to this end. The Prime Minister announced the intention of His Majesty's Government to set up a number of Committees charged with the duty of enquiring into specific problems and also a General Committee, in effect, a Working Committee of the Round Table Conference which would remain in being in India and with which His Majesty's Government would keep effective and continuous touch. The Prime Minister's intention was that the general committee should be the means by which contact will be maintained by His Majesty's Government with the large representative political body typified by the Round Table Conference. The Prime Minister also made reference, in his announcement, to certain particular tasks other than those assigned to these committees. I desire to describe briefly the action which we are taken to carry out the plans of His Majesty's Government in these three directions.

The specific committees are the Franchise Committee of which the Marquess of Lothian is the Chairman, the Federal Finance Committee which will be presided over by the Right Hon'ble Lord Eustace Percy, and the Indian States Enquiry Committee presided over by the Right Hon'ble J. C. C. Davidson. The personnel of these Committees and their terms of reference, which are contained in the letters addressed by the Prime Minister to their respective chairmen have been published. The British members of these specific Committees are at present on their way to India, and are expected to land at Bombay at the close of this week. The secreta-

ries have already been assembled and are at work so that the committees ought to be able to make an effective start with their inquiries immediately on their arrival. The Provincial Governments are collecting materials for their discussions with the Franchise Committee, which will visit almost all the provincial headquarters. Provincial Franchise Committees have been constituted to work in close association with the main committee. I am deeply interested in the work of all these committees, but I have a particular concern with the general committee known as the Consultative Committee over which I shall myself preside as the Deputy of the Prime Minister.

My attention has been directed to statements made in the public Press which indicate the existence of an impression that the Consultative Committee will be a mere ornamental body or at the most will set to work only when it receives the reports of the specific committees. If that impression is at all general or has gained ground in the Indian Legislature, I desire to explain the true position. As I have said, the Consultative Committee will be the machinery by which, on the outstanding constitutional problems His Majesty's Government will remain in contact with the discussions which will continue in India. The detailed consideration of issues vital to the new constitutions of India, will not be discontinued in England, merely because the second session of the Round Table Conference has come to an end. It is an integral portion of the plans of His Majesty's Government that a similar detailed examination should proceed contemporaneously and on parallel lines in India, and that our explorations here should be co-ordinated with the work being done in London through the contact which I shall maintain with the Prime Minister whose deputy in this matter I shall be. Accordingly it will be the function of the Consultative Committee to co-operate with His Majesty's Government in filling in the gaps in the constitution so far sketched by the Round Table Conference, whether these gaps are due to differences of opinion in the Conference or to limitations imposed by lack of time upon its investigations. The scope of work open to the Committee is so wide and so important that no time should be lost in setting to work. I have, therefore, decided to assemble the Committee during the present week, and I trust that at our preliminary deliberations we may be able to inaugurate an active and strenuous programme according to which, in consultation with His Majesty's Government, the details of the constitution may be fully and rapidly explored. It is my intention, so far as my other duties may permit, to engage personally in the work of the Committee.

RAISING OF STATUS OF FRONTIER PROVINCE

In the new constitution, the North-West Frontier Province will find a place, as a Governor's Province of the same status as other Governor's Provinces, with due regard to the necessary requirements of the Frontier; but in the meantime my Government and the Chief Commissioner have been earnestly engaged in preparing a constitution which will forthwith place the Frontier Province on the basis of a Governor's Province under the present Act. We have been assisted by the advice, which I am glad to be able to describe as enthusiastic and harmonious, of the local non-official committee. It is no light task to frame a constitution for an area in which so far representative institutions have not proceeded beyond the field of local self-government, while even in that field the practice of popular election is only in its infancy. My Government have, however, been able to submit to the Secretary of State detailed proposals on matters so fundamental as the franchise, constituencies and the constitution of the legislature. I have good hopes that, if these proposals commend themselves to the Secretary of State-in-Council, we may, at no distant date, have a local legislature in session at Peshawar, but something more is necessary. The new Government and the legislature must be invested with powers and suitable financial provision must be made. For these purposes, the necessary devolution rules have been drafted and now under technical examination. When the local legislature is constituted and ready to assume its duties, we shall have placed it and the local executive in possession of appropriate authority analogous to their counter-parts elsewhere. There is here a particular matter to which I desire to refer. The North-West Frontier Province Subjects Committee has, as you are aware, advised us that the Province, invested with its own authority, will be unable to subsist on its indigenous resources. The course suggested is the grant of a central subvention. The need for such a sub-

vention and its probable amount are under enquiry by my Government. It is our intention to consult the Indian Legislature when the details have been worked out.

SIND SEPARATION

The only other matter raised in the announcement made by the Prime Minister to which I desire to refer, is the separation of Sind. The task which has been laid upon us is to confer with the representatives of Sind for the purpose of trying to overcome the financial difficulties in the way of separation. My Government after consultation with the Government of Bombay, have had under examination the nature and scope of such a Conference, and have submitted, or are in the way of submitting, their conclusions to the Secretary of State for his approval. We trust to be able to initiate the Conference at an early date.

APPEAL FOR CO-OPERATION

Notwithstanding the many difficulties which we have had to surmount during the past few months and the serious problems that still lie before us, with the recollection of all I owe to this country in my public service of years gone by, I feel it a great pride and privilege, towards the end of my public life, to be leading India on to her promised position as an absolutely equal partner with the other Dominions under the Crown. Our difficulties must and shall be surmounted and my Government are determined to allow no subversive or revolutionary activities to prevent us from achieving this great purpose for which many of us have worked for long years. I have asked for co-operation of all those who have the true interests of their great country at heart, to help us to solve the many problems that lie before us, to exercise the spirit of equity and fairness and to bring about that confidence, good-will and trust between our two races who have worked together for so many years, to secure the well-being and prosperity of India in the past and who will long continue to do so in the future. I leave you to your labours and trust that the great Providence may guide you in the important duties you have to undertake.

LATE SIR MUHAMMAD SHAFI—CONDOLENCE

After the Viceroy left the House, the chair was taken by the President, Sir Ibrahim Rahimtullah.

After the new members had been sworn in, *Sir George Rainy*, Leader of the House, moved a condolence resolution on the death of Sir Mahomed Shafi suggesting that the House be adjourned for the day. He described Sir Mahomed Shafi as an eminent statesman, administrator and lawyer, who shaped largely India's destiny during the critical years of 1915-25. He continued: Sir Mahomed Shafi was a great public servant, a leader of opinion and men and the country would long mourn the loss of that great son and true patriot.

The President, associating himself with the motion and adjourning the House for the day, said that it was unfortunate that Sir Mahomed Shafi should die when his services were likely to prove of great advantage to India. He admired his strength of character and true patriotism. He hoped Begum Shah Nawaz with her sterling patriotism would continue her father's work.

The Assembly was adjourned for the day.

HINDU WIDOWS' RIGHT OF INHERITANCE

26th. JANUARY:—The Assembly held its first business sitting to-day in a comparatively dull atmosphere with almost deserted galleries.

Dewan Bahadur Harbilas Sarda's bill to secure for the Hindu widow a share in her husband's family property equal to that which her husband would have been entitled to under *Mitakshara* law had the partition taken place in his lifetime was the first item of business. The relevant sections of the bill read as follows:—

'Where the husband of a widow was at the time of his death a member of a joint family the widow shall be entitled to such share of the joint family property as her husband would have been entitled to under *mitakshara* law had the partition taken place in his life-time and may sue for partition.

'Where the husband of a widow was not at the time of his death a member of a joint family the widow shall take all his property absolutely; provided that should

the widow adopt a son to her deceased husband the personal law of adoption applicable to a widow shall take effect but to the extent of moiety only of the family property. A widow's share under this Act shall be exclusive of her independent personal property or her *stridhan*. A widow's claim to maintenance from the funds of joint family shall cease on the partition and separation of her share as provided in the Act.

Dewan Bahadur Sarda, moving for reference to a select committee of his bill, said the bill had been before the public for two years. After giving the details of the deplorable condition of Hindu widows, *Dewan Bahadur Sarda* met some of the objections raised against the bill. He made particular reference to old Hindu *shastras* by which a woman the moment she got married became the co-owner of her husband's property and it was on account of that that she was used to be given a share equal to that of her sons. He quoted high judicial and other responsible authorities to prove the urgency of the measure.

Mr. Yamin Khan expressed personal sympathy with the lot of widows on whose behalf he had occasions to appear before law courts. A woman had as much right to live as anybody else. The laws made by men had continuously deprived women of their legitimate share of inheritance. It was time that women, who had been deprived of their proper share, should be given that. He had great pleasure in strongly supporting *Dewan Bahadur Harbilas Sarda* in bringing forward this humane bill.

Sir Lancelot Graham, explaining the attitude of the Government, said they would not support it unless they were convinced that there was a very strong public opinion behind it. The debate in the House had shown that all the three Hindus who participated in the discussion had opposed the bill. (Referring to *Mr. Amarnath Dutta*, *Raja Bahadur Krishnamachanor* and *Lalchand Navalrai*, all of whom opposed the Bill.)

Mr. Jog.—There are many more who are in favour and who have not yet spoken.

Sir L. Graham.—I know that. It was, however, clear that the debate had created hardly any interest as could be seen from the empty galleries. On the contrary, *Dewan Bahadur Harbilas Sarda's* earlier bill had attracted crowds of people to the galleries and there used to be many more in the streets shouting slogans.

A member.—The present lack of interest is probably due to ordinances.

Concluding, *Sir L. Graham* said the Government would oppose the bill unless they were shown that there was very strong public opinion behind it.

Mr. A. Das, supporting the bill, said most of the objections raised during the debate were vague and did not affect the principle of the bill which sought to give relief to Hindu widows whose condition at present was really deplorable. He held the bill had been overdue and the objections raised were premature and could be met with in the select committee.

Sir Hari Singh Gour vehemently criticized the attitude of the Government merely expressing sympathy, but practically opposing the bill on the ground of its inopportuneness. Government was only showing its might in the matter of repression and not in social reform. A question of such vital importance should not be decided by counting heads, but by its righteousness and truth. Addressing the orthodox oppositionists he asked why draw the red herring of sacred law and divine law when they were only correcting laws made by men and when society radically needed such a piece of legislation. If there were any defects let a select committee make suitable amendments.

Sardar Harbans Singh supported the mover and was puzzled to understand the attitude of some Hindu members while defects could easily be remedied in the select committee. The House then adjourned.

INQUIRY INTO BANK AFFAIRS

27th. JANUARY.—The plea for a committee of enquiry into the working of the Imperial Bank in all its various branches was made by *Mr. T. N. Ramakrishna Reddy* to-day. The debate was dull and after *Sir George Schuster's* reply the resolution was rejected without division.

Mr. Reddy said the statute which created the Imperial Bank gave it some privileges and placed some restrictions over its working. At the time the bank was created great things were expected to accrue from it to the industrial and agricultural

development of the country. These hopes were, however, all falsified. For, the restriction to limit loans to a period of six months had rendered all help to industrial and agricultural ventures practically useless. Further, there had been racial discrimination in the granting of loans and often first class Indian firms and individuals had been denied facilities enjoyed by non-Indian concerns. Mr. Reddy also complained about the recruitment and training of Indians in banking which was to be a feature of the Imperial Bank.

Sir George Schuster, opposing the resolution, said most of the points raised were adequately dealt with by the report of the Central Banking Enquiry Committee which was now being seriously considered by the Government of India. *Sir George Schuster* hoped before long the Government would be in a position to place their decisions on the Banking Report before the public and the Assembly. He also referred to financial stringency and said, however much they might try to keep down expenditure, committees of enquiries did cost money. His own bitter experience had been that many a time reports of these committees did not receive consideration which even the expenditure on them justified. For instance, although the recommendations of the Banking Enquiry Committee were of a monumental nature the country was so preoccupied by questions of politics and revision of the constitution that hardly any attention had been paid to them. He felt sure if the proposed enquiry was undertaken it would not attract sufficient notice. Lastly, the Finance Member said the Government in the near future would be setting up a reserve bank for India when the question of its relations with the Imperial Bank would also have to be decided. That, he submitted, would be the proper time to take decisions on the issues raised to-day and he assured the House there would be ample material before them to do that. An enquiry at the present stage, therefore, was premature. *Sir G. Schuster* corrected the idea that the Imperial Bank was allowed to keep balances up to 20 crores. He said the minimum figure was seven crores which he personally regarded a very fair one. Referring to other criticisms, *Sir G. Schuster* said that the way in which the Imperial Bank had helped the government in the most trying period of last year was an ample answer to them. The House must realise that the Imperial Bank was not granted any special privileges but the arrangement for granting certain facilities was for definite services rendered by the bank to the Government. The resolution was lost.

APPOINTMENT OF CHIEF JUSTICES

In the absence of Mr. Hariraj Swarup, *Sir Hari Singh Gour* moved a resolution that the Chief Justice of an Indian High Court should be a barrister or vakil or advocate and not a member of the Indian Civil Service. The speaker gave a historical retrospect of appointment of Chief Justices in Indian High Courts leading up to sec. 101, clause (4) of the Government of India Act. He referred to a resolution moved by Munshi Iswar Saran that the High Court bar should be autonomous and also referred to the evidence given by the Chief Justice of Bengal before the Simon Commission. *Sir Hari Singh Gour* dwelt on the innovation made by throwing open the Chief Justiceship and one-third of District and sessions Judgeships to members of the Indian Civil Service. He laid emphasis on the evidence of the Calcutta Chief Justice that the one-third rule should be abolished. Ever since the commencement of British rule the practice had been that the Chief Justices had always been recruited from the bar. While they were anxious that the distinction between English and Indian bar should be eliminated, they would certainly draw a line and oppose the appointment of Indian Civil Servants to Chief Justiceship of High Courts. *Sir Hari Singh Gour* said the Government of India Act was now in the melting pot. The Federal Structure Committee of the Round Table Conference had recommended the establishment of a supreme court in India. That is, a judicial committee of the Privy Council would be operating in India. If an Indian Civil Servant was appointed Chief Justice of the supreme court, it would be an encroachment on the rights and privileges of the bar. Such a thing would be strongly resented not only in India but by the bar councils in England. *Sir Hari Singh Gour* concluded that in view of the Indian law a judge recruited from the profession should be placed at the head of the judiciary in India.

Mr. Jagannath Agarwal pointed out that the present was the most opportune moment as not only the Government of India Act but the whole constitution was in the melting pot. The only interpretation that could be put on the statutes appointing Chief Justices was that they should always be recruited from the English

Bar. If the fundamental principle that the independence of the judiciary should be free from executive control was accepted, then the Chief Justices should be drawn from the profession.

Sardar Sant Singh quoted extensively from the debates of the Council of State and the Assembly in which the Government had promised sympathetically to consider the demand.

Sir James Crerar, on behalf of the Government, while recognising that some changes in the present position might reasonably be made, pointed out that the criterion to be followed in this case should be the proper administration of justice in the general and public interests of the country and not in the interests of any particular class and without invidious distinction in the matter of selection of Chief Justices. *Sir Hari Singh Gour* was himself the author of a book called "Passing Clouds". Was his present position another case of passing clouds? It was of the utmost importance that in High Courts of Judicature in India there should be maintained direct contact and continuity with the traditions of British jurisprudence and there should be in it as wide a measure of judicial experience as possible. Though no member of the Assembly had spoken in disparagement the resolution contained expression of disparagement of Civil Service men with judicial experience. *Sir James Crerar* affirmed amidst cheers that the presence of judges from Civil Service men never impaired the complete independence of High Courts and challenged any member to prove the contrary. The Home Member advised the House not to commit itself to invidious distinction against one class of judges who had deserved well of India and hoped it would continue to deserve well in future. *Sir James Crerar* was cheered when he quoted from *Sir George Rankins'* evidence before the Simon Commission that there should be no distinction and wondered why *Sir Hari Singh Gour* did not quote this direct piece of evidence and indulged in irrelevant quotations from the same evidence.

Mr. Yamin Khan did not support the motion or the sweeping remark made by the previous speakers, that Indian Civil Service men as a class were unfit to be judicial officers, but members of his profession had the advantage of having served among the people, while civilians were from the beginning trained only to decide cases.

Mr. B. R. Puri, supporting it, said he did not doubt the honesty, efficiency and integrity of Civil Service men, but the executive should be away from places where justice was administered.

Sir Hari Singh Gour did not want that in the name of British justice in India, chief justiceships should be meant for Civil Service men.

Sir James Crerar emphasised that there should be no discrimination between I. C. S. men and members of the bar in recruitment to the High Courts, including chief justiceship.

The resolution was carried by 46 against 40 votes, this being the first division of the session. The Assembly then adjourned.

INCOME-TAX ACT AMENDING BILL

28th. JANUARY :—The Assembly resumed discussion to-day on the bill amending the Indian Income-tax Act of 1922 which was partly considered in the September session. The object of the bill was to tax the investment of money abroad by making residence the main basis of liability.

Mr. Studd, opposing the motion for a select committee, asserted that the principal object of the bill would be defeated as it would not stop the flight of capital out of India. When the bill was circulated he did not know that there would be such a strong opposition to it, and now he was surprised that the Government wanted to proceed with the bill in defence of such a strong body of opinion, including the provincial Governments. The speaker wished to know if officials representing the provinces in the Assembly would be given freedom of vote.

Mr. Studd disputed the claim that the bill would affect only richmen and held that no case had been made out to show whether any capital flew out of India, and if so, to what extent. The speaker claimed that only a small portion of capital left the country, the reasons for which were the political and economic insecurity and speculations on account of the exchange ratio. Apart from this, the bill sought to change the very basis of the income-tax law at a time when the constitution was in the melting pot and the question of trading rights was undecided. *Mr. Studd* said that even under the present law there were a large number of eva-

sions, but the bill would add to this number and might even antagonise honest assesses. He next referred to double taxation and said that it would be almost impossible to avoid it under the scheme of sharing profits. It might make it easy to find out what was the capital but would be very difficult to ascertain what was the income earned in India and outside the country.

Sir Mahomed Yakub was surprised to see what a hold the capitalists had on the members of the Assembly and the provincial Governments, for a measure which only sought to tax the rich capitalists was being stoutly opposed. When the new taxes were imposed, the cry of poor men being taxed to the last straw was raised, and now when a fresh source was being tapped by the Government by taxing the rich, the European trader who took away the cream of the country's profits, the European representatives opposed it in the name of the small Indian trader. He asserted that Europeans did not wish to share in the burden of the country, and the argument of evasion of taxation did not hold good as, if punished to its logical conclusion, it should make the Government abolish all taxation laws from the country. At present the House was only accepting the principle of the bill.

Mr. Studd—We will never do.

Sir M. Yakub.—Yes, you will support measures to tax Indians to the last penny, and now you are trying to save your skin by pleading the excuse of the small Indian trader. Concluding, *Sir Mahomed Yakub* said the principle of the bill was sound and should be supported.

Sir Cowasji Jehangir, also joined in opposing the bill. He said the action of the Government in proceeding with the bill after the strong opposition to it at the Simla session and now in Delhi showed that arguments had no force with the Government. He asserted that the assurances given by *Sir George Schuster* four and a half months ago had changed the principle of the bill, which the motion before the House wanted them to accept.

Sir George Schuster claimed that the principle of the bill had not been changed.

Sir Cowasji Jehangir further maintained that the bill as claimed by the Government would not make the Indian income-tax law identical with the British law.

Sir George Schuster, intervening again, said that it would bring it as near to the British law as possible.

Proceeding, *Sir Cowasji* said that the assurance given by the Finance Member at Simla would rope in all those people of Indian States who now resided and traded in British India and it was not fair to tax thousands of people who were not even consulted and had no representative in the House. In order to meet the European point of view they should not change the main principle of the bill so radically. He asserted that it was not a bill amending the Income-tax Act but a new bill which made the source of income and residence a criterion of income-tax. Unlike the practice in foreign countries, the bill would place a handicap on Indian trade abroad and Indians though not living in India would be taxed under it.

Proceeding, *Sir Cowasji* submitted that the dual basis—source of income and residence which was sought to be inserted in the Indian income-tax law was unprecedented in the whole world, and the taxing of profits whether brought into the country or not was the greatest injustice to India and would hamper and retard the development and growth of Indian insurance companies. As regards the flow of capital out of India, to prevent which primarily the bill was introduced, the speaker said the bulk of the capital was exported by Indian Princes and States, which would be unaffected by the bill, and when the main purpose of the bill was to be defeated the bill should be withdrawn by the Government. He also urged the Finance Member not to take lightly the question of administrative difficulties and warned the Government that there would be a crop of litigation if the bill was passed.

Mr. Axhar Ali pointed out that the bill had been strongly opposed by trading organisations and should not be forced through, otherwise it would have repercussions on the already much agitated business community.

Mr. Arthur Moore said the bill, as originally introduced, did confer certain advantages on Europeans but they were opposed to it then because they wanted to have equal rights with their Indian fellow-subjects. The assurances of the Finance Member had now put his community at a disadvantage, which had increased their opposition to the measure. There were three main grounds on which the bill should

be opposed. Firstly, the Government had no means of enforcing the provisions of the bill and depended mainly on the honesty of people. Secondly, there were people in India, specially British officers in the Indian army, who many a time had funds which were never earned in India but which would be taxed under the bill by the mere fact that they were serving in India. Lastly, at a time when the question of federation was in the forefront they should not bring in a Legislation which would impose taxation on the subjects of Indian States.

Bhai Permanand opposed the measure as it would lead to the disruption of Hindu joint families, for under the bill residential qualifications were imposed on the manager of a family though other members could be living and trading abroad. To evade the tax, therefore, it would be necessary for Hindu joint families to break up.

No vote was taken to-day. The Assembly adjourned till 1st. Feb.

Rule By Ordinances Condemned

1st. FEBRUARY:—All the galleries were packed to overflow when the Assembly met to-day to discuss the political situation. The President called upon *Sir Hari Singh Gour*, leader of the Opposition, to move his resolution, of which the following is the text:—

"Whereas this Assembly has reason to protest against the manner in which the ordinances promulgated by the Government of India have been worked in various parts of the country by the agents of the Government and in particular considers that the action taken against Mahatma Gandhi without affording him the opportunity he sought for an interview with His Excellency the Viceroy was unjustified, that the deportation of Khan Abdul Ghaffar Khan and the arrest of Mr. Sen Gupta before he even landed on Indian soil were against all canons of justice and fairplay and ignored all elementary humane ideas and that the punishment meted out to ladies, including their classification as prisoners, is to the last degree exasperating to the public opinion ;

"And whereas this Assembly disapproves of the fact that the various ordinances were issued immediately after the conclusion of the last sitting of the Legislative Assembly ;

"And whereas this Assembly condemns the act of terrorism and violence and disapproves of the policy of the no-rent campaign and similar activities and is convinced that it is the earnest duty of all patriotic citizens to join in the constructive task of expediting the inauguration of the new constitution ensuring lasting peace in the country ;

"This Assembly recommends to the Governor-General in Council (1) that he should place before the Assembly for its consideration such emergency bills in substitution for the ordinances as he may consider reasonable and necessary in order to enable this House to function effectively, as intended by the Government of India act ;

"(2) that in view of the grave happenings in the N. W. F. Province a committee elected by the non-official members of the Assembly be forthwith appointed to enquire into the same including the reported atrocities committed therein ; and

"(3) that he should secure the co-operation of the Congress and Muslim and Hindu organisations, including the depressed classes, in the inauguration of the new constitution for India."

Sir Hari Singh Gour said that the first demand of the Assembly was that the ordinances should be placed before the Assembly. Several Ordinances had been promulgated in quick succession. He said that when the Legislature was in session the Government could have easily asked its consent to extraordinary powers, and the House must examine how far the Ordinances could cope with the situation. He further claimed that the fundamental rights which Englishmen enjoyed under the common law could not be modified or restricted by the Indian Legislature. The Government had indemnified under the Ordinance the actions of officials before even actions were taken, so that the subjects have no remedy. Without any charge or evidence, persons could be detained, their property and funds confiscated and parents punished for the crimes of their children. Atrocities had been committed in the Frontier in the name of law and order and if they did not rely on the report of Father Elwin there was Maulana Shafee Daudi, who had visited the province recently and would narrate the outrages committed there. The least that the House could

do was to compel the Government to withdraw the Ordinances and bring before the House emergency legislation. Continuing, Sir Hari Singh Gour said :—

"This resolution has a dual object. We condemn civil disobedience and also Government repression. We stand as mediators between the extremists of the Government and the agitators, to discharge our duty of giving every man his due, regardless of party or partizanship. However much we may disapprove the activities of Congressmen, we claim that even the prisoner in the dock is entitled to fair play. (Nationalist applause.) Under these Ordinances the liberty of the entire peaceful community is in jeopardy. (Official benches : 'Oh !') The Government knows from past history that we have always responded to the call of co-operation (A voice : 'Indeed.') The Government's hands will be strengthened by securing the cooperation of the elected representatives in this House, but if the Government continues its policy of terror to establish their prestige, then, we the popular representatives, shall have done our duty by recording our protest against that policy. That is our dual object. We condemn this policy of ruling by Ordinances. I appeal to all the Centre group (the Europeans and the United India party) to join hands with us. They belong to a freedom-loving nation whose forefathers shed their blood to win liberty. We are liable to forget the horrors perpetrated from East Bengal to the North-West Frontier. Let us extend our sympathies to those unfortunate victims of the Ordinances who are incarcerated without sufficient evidence. Their sighs and cries are in the wilderness. Let us vindicate those elementary rights. Remember we are all sons of India and are here for the common service of our motherland.' (Opposition benches' applause.)

Sir James Crerar said he had listened to Sir Hari Singh Gour with a special degree of interest to know what precisely were the motives and intentions which inspired him to move that resolution and it seemed to him like a piece of mosaic intricately composed and dove-tailed together. It contained propositions which were mutually incompatible. (Official applause.) It contained some propositions which the Government had no difficulty in endorsing. He confessed considerable disappointment that Sir Hari Singh Gour had failed to elucidate the points. 'On one point, however, there can be no doubt that the member intends his resolution to be a censure upon the policy and proceedings of the Government and the attitude of the Government cannot, therefore, be any except that of strenuous opposition to it. (Hear, hear.) A Voice.—No body expected otherwise.) The general policy and action of the Government is impugned by this resolution. What is the policy of the Government ? It has taken up the challenge thrown to all form of ordered Government and society. In doing so, it is discharging the elementary responsibility not only of the present Government, but also a trust for the future. (Nationalists' ironical laughter.) Secondly, the task of the Government is to carry forward constitutional advance. But it would be impossible for this policy to be carried with the cooperation of the great interests, unless we simultaneously maintain conditions where-under such policy could be profitably pursued. (Hear, hear.) The Government, I claim, have given practical proofs of the sincerity of their intentions. There was the first Round Table Conference with the Premier's declaration. Then followed the most important event—the Delhi Settlement. The Government had been, in many quarters, very seriously criticised for the part they took in that settlement. For myself I look back upon it not with one atom of regret. I regret, indeed, many events which culminated in the present position. If the Settlement failed it is not our fault. There is the Premier's declaration and the Round Table Conference committees now holding sittings in Delhi and a practical solution is proceeding. In view of that, none can contend that the Government made lavish promises and made no practical advance'. Sir James contended that there was no strength in Sir Hari Singh's claim questioning the validity of the ordinances. He wished to remind the House how on the other side the Settlement had been observed. Within seven days of the Settlement the secretary of the All-India Congress Committee issued a circular asking Congressmen to consolidate their position, as it was a mere truce and not the final peace.

A Voice.—What is wrong with it ?

Sir James Crerar.—It does not show that the spirit of the agreement was carried out, as against the Government carrying its obligations with scrupulous and meticulous attention. (A Voice.—Question.) They did it, knowing that they were undergoing grave risks. Then came the report of the no-rent campaign in the U. P., which presented the most dreadful and disastrous contingency that ever

could face a country namely, an agrarian revolt, and we were asked by one of the wisest, most sagacious and proved administrators in any part of India or the world to arm him with powers. Similarly, Congress propaganda in the Frontier was reckless and irresponsible and delay to act would have been dangerous.

The Home Member said these were the broad facts facing Government, and commented: 'If the Government had failed to act it would have shown a grave dereliction of its responsibility and would have allowed conditions which would have destroyed the hope of attaining that next and great step of constitutional advance which I confidently predict we shall attain in due time.' Sir James Crerar said leaders of the Congress had been always plain in the exposition of their principles, namely, that the existing system of Government must be destroyed. He read extracts from a document circulated in the city of Bombay by the Congress surreptitiously declaring that the programme was to completely overthrow the British Power and to carry on the fight to the finish and show no quarter to the landlords, zeminders, capitalists and others who help the Government and non-violence was only a shield for violence. It ended: 'Let the watchword of the nation be that this is a fight to the finish.—Ingalab Zindabad.'

Sir James Crerar said 'in view of the Congress activities the Government has felt compelled to resort to extraordinary legislation. Though the powers are drastic, we recognize the necessity of administering them with the strictest discipline, greatest moderation.'

Concluding Sir J. Crerar observed: 'It was said not long ago that India was on the parting of roads. Certainly there is now a choice between the two ways, the way of constitutional progress and the barren road of destruction. They cannot be treaded together. No one who has the true interests of India at heart can possibly hesitate to make his choice. We have made our choice, and I stand here to justify that choice before the Assembly to-day. I go further and say that every one who chooses our way ought to give us not only his confidence but his practical support. (Applause.) I am compelled to treat this resolution as a vote of censure upon the policy and proceedings of the Government and on the grounds I have laid before the house, I maintain that the verdict of the House ought to be, a vote of confidence in the policy of the Government. (Applause.)

Sir Hugh Cocke (leader of the European group) opposed the resolution. He affirmed that Government by conference and discussion had failed and the Government must be given credit for having promulgated the ordinances.

Messrs. Neogy and Ranga Iyer—Why, then, not disband the Round Table Committees and this Assembly, also.

Sir Hugh Cocke.—Looking back I have no doubt that the Government had no option but to take a firm hand, bearing in mind that they are trustees to hand over to a new form of government within a comparatively short time. If India to whom this new form of government is handed over shows greater lack of respect to the Government then the new constitution will start with great difficulties and on evil days. Referring to the situation in Bombay, *Sir Hugh Cocke* said that there had been no great protest against the ordinances. Of course I have liked government by ordinances. But as long as picketing and leaflets' distribution continued and there was outward and inward hostility to Government it was necessary to keep and use the ordinances. *Sir Hugh Cocke* added that there was no evidence to show that these ordinances were being unreasonably used.

Mr. B. Das.—Oh! From your point of view.

Sir Hugh Cocke.—No, from the public point of view.

Proceeding *Sir Hugh Cocke* reminded the House that the Government were doing every thing to secure the cooperation of the people in the task of constitution making but problems like those of minorities and franchise required time. While it was essential that no time be lost in proceeding with the work of inaugurating the new constitution it would be a great mistake to show impatience in solving questions of franchise and minorities, for the foundation must be well and truly laid. The Congress must be told that the so-called non-violence had actually led to violence and terrorism and the Government could not tolerate it.

Mr. Hoon refuted the charge that the Congress had broken the Delhi Pact. At least in the U. P. he said the putting of traders in the lock-up because they were too nervous to open their shops on hartal days, did not justify the Government assertion that the ordinances were worked with moderation. The Government con-

vained a November session of the Assembly as they wanted money, but it did not suit them to convene a session for emergency legislation.

Mr. Ramaswami Mudaliar wondered why *Mr. French* had drawn a red herring across the trail when this resolution had openly condemned the terrorist movement in Bengal. (Cheers.) He made it perfectly clear at the outset that by passing this resolution the House would not even by suggestion or implication associate itself with the terrorist movement or anarchical crimes which sometimes occurred in Bengal. If this resolution was, in the opinion of *Sir James Crerar*, pieces of mosaic pieced together and finely dovetailed, then it was a matter for congratulation. At any rate it was better done than so many Ordinances which had been promulgated by piecing together some archaic rules and regulations. (Cheers.) *Sir James Crerar* had asked for a vote of confidence in the Government by rejecting this resolution. He would have no objection to passing a vote of confidence, if the Government passed a vote of confidence in the Assembly and brought forward emergency legislation in substitution of the Ordinances. Even accepting for the sake of argument that every one of those ordinances was necessary, why was the Assembly not taken into confidence and legislation not placed before it? As a member of the Round Table Conference he heard at St. James' Palace appeals made for co-operation. That co-operation was given and helpful. But here in India *Sir Hugh Cocke*, leader of the European group, was not willing to exercise his rights as an elected member and was prepared to give all discretion to the Government, to the few men in the Government, who considered themselves wise. The Assembly under the existing constitution had no control over the actual administration of the country but it had a restricted power of legislating and taxing the country. If *Sir James Crerar* was sure of getting a vote of confidence from the Assembly for the Government policy, what was there to prevent him from placing the emergency legislation in substitution of Ordinances? This House which was called India's Parliament would be stultifying itself and committing political suicide, if it was going to subscribe to *Sir Hugh Cocke's* declaration that all wisdom was concentrated in either the Home or the Legislative Secretary and that the collective wisdom of the Assembly was of no consequence whatsoever. If this suggestion was to be upheld, then sooner this House was dissolved the better. (Cheers of Nationalists and Independents.)

Proceeding *Mr. Ramaswami Mudaliar* reminded the Government how the non-Brahmin party in Madras in 1922 and 1923 passed measures after measures in the Madras Legislative Council when *Lord Willingdon* was the Governor and asked *Sir James Crerar* to consult his Chief and come forward with measures in substitution of the Ordinances.

Mr. Ghuxnavi (Bengal) interrupted: 'But this is not the Madras Council.'

Mr. Ramaswami Mudaliar retorted that the Bengal Council was not different from the Madras Council. *Mr. Mudaliar* promised to approach every emergency legislation, if it was brought before the Legislative Assembly, without any bias or prejudice. He admitted he was opposed to the civil disobedience movement and he appealed for the sake of putting it down, for measures from the Government which he could consider dispassionately. Any other attitude would only mean that this Assembly would go down in history as invertebrate and not capable of asserting its own dignity. (Cheers.)

Mr. Abdul Matin Chaudhury declared that the motion was a censure for the reversal of the Irwin policy, for Mahatma Gandhi's arrest and for the manner the tyrannical ordinances had been applied in the Frontier province. He threw the blame for the rupture on the Government of India who had yielded to civilian diehards but added: 'These Ordinances will not save the tottering bureaucracy in India. (Hear, hear.) You have perpetrated a miniature Jallianwala Bagh in Kohat through budding Dyers and yet your communiques mention 'all is quiet.' It reminds me of a film 'All quiet on the Western front.'

Sir Evelyn Howell, Foreign Secretary, said the issue was clear, 'Who is not with me is against me.' He declared that if the Government had chosen to launch a prosecution against *Abdul Ghaffar Khan* under the ordinary law, there would have been no doubt about his conviction.

Mr. Abdul Matin Chaudhury:—Why not do it to-day?

Sir Evelyn Howell gave an account of Red Shirt activity which did not lessen even after the Premier's declaration. 'I ask Sir Abdul Qayum whether that announcement is satisfactory or not?'

Sir Abdul Qayum.—Most satisfactory.

A member.—His master's voice.

Sir Evelyn Howell.—'That was not the view of Abdul Ghaffar Khan. He denounced it as entirely unsatisfactory. I am sure no other Government in the world would have put up with Abdul Ghaffar for half the time we did. (Applause.)' The Foreign Secretary said, 'Every Government official felt sorry for the loss of 14 lives of fellow citizens in Kohat.'

Mr. Abdul Matin Chaudhury.—There were 84 deaths.

Sir Evelyn Howell: 'Whatever the number, I would like to say that the blood of these brave but misguided men rests not upon us but upon Abdul Ghaffar Khan.'

Replying to Mr. Shafi Daudi, *Sir Evelyn Howell* said, 'I recently returned from the Frontier where I had the pleasure of an interview with Mr. Shafi Daudi and his colleague. Mr. Daudi had not apparently discovered the terrible mentality of the Frontier officers of which he told us to-day. He did not mention his movement was restricted and he thanked the Chief Commissioner for the courtesy and facilities given him. I submit that to make an attack on the mentality of Frontier officers as a whole without any chance on the part of a reply is grossly unfair.' *Sir Evelyn Howell* offered to look into any case of excess of power brought to his notice. He said when he was in Peshawar the Chief Commissioner was unset by the rumour that the police had thrown two ladies from an upper story. On enquiry it was found that the ladies sitting above had hurt a policeman with a stone and when the police ascended the balcony the ladies jumped into the street.

A member.—What a tale!

Concluding *Sir Evelyn Howell* said, 'What the Frontier province wants is just to be let alone for a bit. I am sure the Government has no desire to keep these ordinances a minute longer than necessary and it is quite aware that the orders under sec. 144 may make the introduction of reforms difficult. They are determined that these reforms shall be brought into force at the earliest possible moment. They will do their best to secure the cooperation of the people of the Frontier in so doing.'

Mr. B. Dass said that the boycott of British goods was really at the back of the repressive policy. Mr. Das characterising Pandit Madan Mohan Malaviya as a prince among cooperators began to read extracts from his 7,000 words letter to the Viceroy. On the enquiry of the President, he said he wished to read the letter but was leaving the unfinished portion for others to read. (Laughter.)

Mr. B. R. Puri said that according to their own admission the Government had ample opportunity to bring forward legislation before the House. He instanced the case of a colonel in Central Africa who received a telegram 'Arrest all aliens. War declared.' He accordingly arrested all and replied back 'Arrested Germans, Italians, Belgians etc, Please inform against whom war declared.' (Laughter.)

The Assembly rose for the day.

2nd. FEBRUARY.—The House concluded the debate to-day. At the outset *Mr. Shunmukham Chetty* supported the resolution, affirming that it was couched in a tone of reasoned moderation, with no incompatible sentiments therein. The Government should have of their own accord come before the Legislature for a vote of confidence if they were confident that their case was strange, but the Government not having done that, the un-officials had tabled this resolution. He thought the future historian would write that the present crisis was brought about by the die-hards of the Congress. Personally he did not regard the Ordinances as unconstitutional, but they should be promulgated only when there was a real emergency and the legislature was not in session or if the legislature refused to sanction emergency legislation. None of these tests applied in the case of the present Ordinance.

Proceeding, *Mr. Chetty* gave three instances which, in his opinion, proved that *Sir James Crerar* was unjustified in his assertion that the Ordinances were being applied with moderation. Firstly, he referred to the case of beating the Congress picketers at Coimbatore which he had personally witnessed and in which one succumbed to his injuries, secondly the case of Dr. Paton, which required immediate enquiry, and lastly the report from Telicherry that an I. C. S. Magistrate got removed from the person of a Hindu women her sacred marriage thread with a

small pieces of gold in order to recover a fine, (Some members cried 'Shame', 'Disgraceful' etc., while the details were narrated.) Mr. Chetty also referred to cases of censorship of press telegrams and lastly mentioned the warning given by a magistrate to Mr. B. Das, a member of the Assembly and editor of *Young Utkal*, for an article headed 'Wrong Move'. Concluding, Mr. Chetty thought the Government of India were only reflecting the spirit prevailing at Whitehall.

Sir Abdur Rahim said he could hardly believe his eyes when he read the Frontier Ordinance.

Mr. Ghaxnavi.—You made them in Bengal.

Sir Abdur Rahim.—I have not promulgated a single ordinance.

Mr. Ghaxnavi.—You defended them in Bengal Council.

Sir Abdur Rahim.—I did not defend a single ordinance. (Opposition applause.) I maintain that the scope of the ordinances is to deprive every one of every vestige of right of personal safety, right to liberty, right to property, right to association and every right that a human being may possess and who is that Indian with self-respect who can tell the Government: 'We have confidence in you and what you have done is right'? Is this how you are preparing India for Swaraj, for Dominion Status, by taking away even the little freedom we enjoy. I have denounced many of the activities of the Congress publicly without reserve, but that is not the question. You are depriving an entire people of their elementary and fundamental rights. (Applause.) You can frame ordinary laws to meet the situation.

A voice.—You will reject them.

Sir Abdur Rahim.—Yes, if it goes beyond the necessities of the situation.

Sir George Rainy twitted *Sir Hari Singh Gour* by stating that the resolution had promised support to all measures considered reasonable and necessary by the Government. Why then *Dr. Gour* objected to the measures which the Government felt were the minimum power needed? He felt the Government could not forget the recollection of what the House had done three years ago with the Public Safety Bill. When an extraordinary legislation was brought *Dr. Gour* was the first to move its circulation. (Laughter.) There would be a test tomorrow evening when another of those exceptional bills sent out for circulation was coming up and the Government would watch the behaviour of the House to-morrow to determine its attitude whether it could depend on the support of the House for power when the ordinances expired. *Sir George Rainy* said *Mr. Shafce Daudi's* recital of the events in the Frontier had not succeeded in making out a case for an enquiry. Finally, *Sir George Rainy* repudiated the preposterous proposition suggesting that the Government are not anxious to consult all the communities' interests in India in framing a constitution and challengingly asked, 'What risks did we not incur in bringing that about last year?'

Mr. Jagannath Agarwal in meeting *Sir George Rainy's* argument said if the Government could not bring the emergency legislation in anticipation of the emergency or at the time of the emergency they could do so now and take the verdict of the House. That was what precisely the resolution demanded and if the Government treated it as a vote of censure its rejection would sound the death knell of the House as it would be the greatest humiliation for the members. If the Governor-General could alone make laws for India, Government should suspend the Assembly and send back all the Round Table Committee.

Sir Henry Gidney opposed the resolution because it reduced the Assembly to the position of a house-owner damning policemen when the latter came and arrested the robbers in his house. If the members felt the working of the ordinances so keenly let them address meetings outside the Assembly and face the consequences instead of abusing the Government officers here. What struck *Sir Henry Gidney* most was the extraordinary enthusiasm being shown in the Frontier people. An enquiry in the Frontier would only result in thwarting the Reforms. The Government were pursuing the constitutional reforms as decided by the Round Table Conference. One notable achievement of that conference was the pact among the minorities. Let those who were representatives of those minorities vote against the resolution.

Sir Abdul Qaiyum said he would not like to argue or question whether the replacement of the ordinary law by ordinances in the Frontier was justified or not. He would like boldly to say that the activities of *Khan Abdul Ghaffar Khan* were

the chief cause for the promulgation of ordinances in the Frontier. He exceeded the bounds of law and was preaching the dangerous doctrine of complete independence from village to village to ignorant masses. One could forgive Khan Abdul Ghaffar's doings up to December 1, but after the Prime Minister's announcement conferring self-government on the frontier he was not justified in precipitating matters in the way he did. On December 23, he collected a *jirga* and told them that the Premier's announcement of reforms for the Frontier was unacceptable. The Government were justified in the course they had adopted to prevent the spread of lawlessness at the beginning itself.

Mr. K. C. Neogy attacked the European Association and the London die-hards who were in league with the India Office to introduce the repressive policy. He quoted from Mr. Churchill's speech of Dec. 3 in the House of Commons in which Mr. Churchill had asked as to how the proposed R. T. C. Committees would work in the various provinces which would be under a law amounting to martial law and that the repressive measures to be introduced were the result of the past foolish policy. Mr. Neogy asked, 'How is it Mr. Churchill knew this regime was coming a month before Mahatma Gandhi's arrival and the promulgation of the ordinances? Many Congressmen asked me for an answer and I would ask the Government to enlighten them.' Mr. Neogy then gave the instance of Mr. G. C. Nag, a Rai Bahadur, a retired deputy collector, whose house was raided one night and Mr. Nag was grossly abused by the European police officer who, when Mr. Nag remonstrated, told Mr. Nag, 'If the police superintendent had come, he would have beaten you.' Mr. Nag's son and daughter, a most cultured lady, were taken away. This lady was kept in custody without any charge and removed from place to place under male escort. The police smashed all furnitures in Mr. Nag's house and Mr. Nag had sent the speaker a letter which he was about to read when his time was up and the House adjourned for lunch.

Mr. Raghubir Singh held that the only way to deal with the law-breakers was to crush them. The Congress in the United Provinces had embarked on a no-rent campaign to exploit the inability of the tenants to pay and showed great hurry in launching the civil disobedience movement. The Government were equally guilty of haste in promulgating the ordinances. The speaker, though he approved of some portions of the resolution, could not support it in the present form.

Sir Zulfiqar Ali Khan appealed to the non-officials to afford the Government an opportunity to create an atmosphere for the peaceful working of reforms. The aim of national India was to attain freedom and the Government were equally disposed to meet the demand. Where then was the need for all the present turmoil? He asked what the non-officials would have done to meet the emergency if they were in power.

Mr. Amarnath Dutt.—Something quite different.

Sir Zulfiqar Ali Khan.—Yes, something worse than this.

Mr. Neogy.—Might have been worse for you.

The speaker said that those who had any stake in the country could not allow the situation to drift into chaos.

Sardar Sant Singh pointed out that non-officials were there in the House anxious to co-operate with the Government. The Government should make it possible for them to do so. Their main point was that the law should be respected before order while the ordinances were a negation of all laws. He held that the supplementary Finance Bill was passed to prepare for this struggle with the Congress.

Mr. Yamin Khan complained that the resolution was crooked and asked the opposition openly to attack the Government. He narrated the harm done to the zamindar's interests by the no-rent campaign and by those whose hidden motive was to capture the legislatures of the future through the present propaganda. (*A voice*.—What is wrong in that?) The speaker said that if a peaceful atmosphere could not be restored by the ordinary law he welcomed the action of the Governor-General taken after consulting the provincial Ministers.

Sir Cowasji Jehangir said that the Government officers were not to blame but the Government which empowered them unjustly with such powers as to arrest men 'about to act' in a criminal manner. Even the advocacy of temperance, use of Khaddar and advocacy of Swadeshi were penalised. (*Voices*.—Shame, shame.)

Sir James Crerar.—Under what ordinance ?

Sir Cowasji Jehangir.—I am stunned at this question. You declare an association unlawful under the criminal law Amendment Act and its work in these directions becomes illegal. You closed a Swadeshi exhibition. I admit in Bombay city the powers have been used with consideration and great judgment.

Concluding the speaker said : Believe me as one who will fight for the British connection till the end of my days that some of the provisions of these ordinances are weakening the link and if allowed to stand will completely break this link between India and England.'

Mr. Harbilas Sarda said : 'Either bring bills before us and if we fail, certify them or suspend the constitution and rule by ordinances. He asked the Law Member to justify how loitering before a shop could be an offence and how under an ordinance any man could be forced to open his shop if he was not to be imprisoned. This had happened. (Applause.) Concluding, he said : 'I had been a judge under the British Government. I fail to find out under what law a man who sits on the road can be assaulted with a *lathi* or fired at. Arrest him, imprison him. There is nothing but rule of *lathis* in the land.'

Syed Murtaza said that no explanation had yet been tendered by Government speakers for the arrest of Mr. Sen Gupta or the incarceration of Mr. Gandhi, the very embodiment of non-violence. Replying to Sir Evelyn Howell's remark, he said any other Government would have given a jagir to Khan Abdul Gaffar Khan for converting to non-violence Pathans who believed that killing an Englishman was a religious virtue. Now Pathans had allowed 250 of their men to be killed without retaliating. Islam taught them patriotism and liberation of the country. If Khan Abdul Gaffar Khan preached complete independence which Sir Abdul Qayum had objected to, the speaker also stood for complete independence.

Mr. Moore.—How do you reconcile that with the oath of allegiance ?

Mr. Murtaza.—That does not interfere with my loyalty. (Laughter.)

The speaker said that when in the Frontier the jewels of a lady were removed while praying and the husband remonstrated to the officer the latter replied : 'Regard yourself as fortunate that your wife was not removed.'

He ended with quoting a Persian couplet from *Saadi* that the power of the tyrant could not continue for long.

At this stage a closure of the debate was applied for from both sides and Mr. Chetty who was in the chair accepted the closure and called upon Sir Hari Singh Gour to reply to the debate.

Sir Hari Singh Gour replying to the debate said that if the Government had the right to govern, had it equally the right to misgovern ? The ordinances placed the population of India entirely at the mercy of the Executive Government. The multitude of cases of excesses given by the members were too horrifying to tolerate. A mere assurance that enquiries would be made if a specific complaint was given would not serve the purpose in the face of the drastic provisions of the ordinances. The Government argued that legislation to replace the ordinances would mean delay. Such an answer would have led to the defeat of the Government in England. Here in India a minority Government was supported by minority parties in controlling the majority. Twelve years of patience in the country had led the Congress to embark on a perfectly constitutional method of civil disobedience and now the Government was out to crush it by arresting its leaders and confiscating its property. He particularly complained against the stopping of the Swadeshi Exhibition in Madras.

Concluding, Sir Hari Singh Gour said, 'By government by ordinances which they refuse to bring before the Assembly this House has been rendered impotent. Don't make it contemptible by your vote.' (Ironical cheers from European benches.)

Sir James Crerar, winding up the debate, said that he was astounded by Sir Hari Singh Gour's assertion that the civil disobedience movement was constitutional. He referred to the ordinance promulgated in Bengal when Sir Abdur Rahim was a member of the Government. If Sir Abdur Rahim did not find any constitutional impropriety against the ordinance enacted he ought to have justified the present ordinances here. Referring to the cases of excesses mentioned by several speakers, Sir James Crerar pointed out that it would be easy 'to multiply the excesses by the Congress—cases of violence, murder and attempted murders. But that task would

be unprofitable. The issue before the House was whether the Government was right or wrong in its general policy and in its general proceedings, whether the Government was threatened with an emergency endangering the peace of the country and whether the action of the Government were sincere and honest in its efforts to promote constitutional progress. Sir James Crerar justified the Government action under each head and left the verdict to the unprejudiced judgment of the Assembly.

Before the resolution was put to vote Sir Abdur Rahim was given an opportunity to explain his position regarding the Bengal Ordinance of 1914. He said that if the Government of India now wanted to know what he personally did in that connection Sir James Crerar ought to look into the records. (Cheers of the unofficial parties.)

The House divided and rejected Sir Hari Singh Gour's resolution by 44 against 62 votes amidst loud cheers and jeering remarks of unofficial groups. The Assembly then adjourned.

INDIAN COMPANIES AMENDMENT ACT

3rd. FEBRUARY :—The Assembly reverted to its normal business to-day and had a series of important legislative proposals of the Government for introduction including three tariff bills. On the motion of Sir George Rainy, the House passed the *bill amending the Indian Conference Amendment Act 1930*. The following is the statement :—

'Proviso to sec. 144 (1) of the Indian Companies Act, 1913, as amended by the Indian Companies (Amendment) Act, 1930 (Act XIX of 1931), lays down that a firm whereof the partners all hold auditor's certificates may be appointed by its firm name to be auditor of a company and may act in its firm name. Act XIX of 1931 has not yet been brought into force, but the attention of the Government of India has been drawn to the fact that certain accountant firms doing business in India have partners who do not visit India. As the proviso stands, such firms will in future be debarred from appointment as auditors of a company in India in their firm names unless each partner, whether resident in India or abroad, is granted an (Indian) auditor's certificate—an obligation which it is undesirable to impose. The object of the bill is to remove the defect.'

The Commerce Member announced that the amending Act of 1930 would be brought into force from next April and that this small amendment would be introduced in time.

BILL TO REPEAL EMPLOYMENT DISPUTES ACT

Sir Joseph Bhoré moved the consideration of the *bill repealing the Employers and Workmen (Disputes) Act of 1860* which was passed. The following is the statement :—

'The Employers and Workmen (Disputes) Act was passed in 1869 to provide for the speedy determination of disputes relating to wages in the case of certain workers. It is applicable to the construction of railways, canals and other public works and provides for summary disposal of disputes by magistrates. The Royal Commission on Labour, which invited opinions regarding the utility of this Act, has reported that "the Act has everywhere ceased to be used, and this is perhaps fortunate as it also embodies the principle of criminal breach of contract. We recommend its entire repeal."

BILL RE. COLLECTION OF INCOME-TAX

Sir George Schuster introduced a *bill to amend the Finance Supplementary Act of 1931* proposing summary assessment in the case of incomes between Rs. 1,000 and Rs. 2,000 per year. The Finance Member said the procedure would be simplified, the cost of collection would be reduced and the revenue collection would be expedited, but every assessee had the right to choose the existing complicated procedure. The legislation was temporary to enable them to see if the procedure worked satisfactorily. If he did it could be adopted as a permanent feature under the Income-Tax Act.

The operative clause of the Finance Act Amending Bill ran :—

'1. The income-tax officer may, save where he has served a notice under sub-sec. (2) of sec. 22 of the Indian Income-tax Act 1922, make a summary assessment of the income of an assessee to the best of his judgment and shall serve on the assessee a notice of demand in a form to be prescribed by the Central Board of Revenue, and such notice shall be deemed to be a notice of demand under sec. 29 of that Act.

2. "Any assessee in respect of whom such summary assessment has been made may, within 30 days of receipt of the notice of demand, make an application to the income-tax officer for the cancellation or revision of the assessment, and the income-tax officer shall after examining any accounts and documents and hearing any evidence which the assessee may produce and such other evidence as the income-tax officer may require, determine by an order in writing the amount of the tax, if any, payable by the assessee, and such determination shall be final, provided that if any assessee making such application files therewith a return under sub-sec. (2) of sec. 22 of the Indian Income-Tax Act, 1922, the application shall be deemed to be a return under that sub-section and shall be dealt with accordingly.

3. 'A copy of an order under para 2 shall be served on the assessee to whom it relates and shall be deemed to be a notice of demand under sec. 29 of the Indian Income-Tax Act, 1922.

4. 'The above procedure shall apply also to the assessment and collection during the financial year 1932-33 on incomes of Rs. 1,000 and upward and less than Rs. 2,000 which have escaped assessment in the financial year 1931-32.'

AIR FORCE BILL

Mr. MacWorth Young Army Secretary, introduced a *bill providing for the administration and discipline of the Indian Air Force*. The bill is a self-contained measure, the material of which is drawn both from the Indian Army Act and from the British Air Force Act. The first batch of Indian Air Force officers from Cranwell will be arriving in India early in the summer of 1932, and after a period of one year's attachment to a unit of the Royal Air Force will be posted to the new Indian air unit. Meanwhile the other Indian ranks are being recruited and will have received their initial training by the time that the officers have completed their period of attachment. By the summer of 1933 the Indian Air Force will come into complete existence. Hence the necessity for providing for the discipline of the officers and men of the new force. The following is the text of the statement :—

'The first of the Indian Air Force officers from Cranwell will be arriving in India early in the summer of 1932, and after a period of one year's attachment to a unit of the Royal Air Force will be posted to the new Indian air unit. Meanwhile, the other Indian ranks are being recruited and will have received their initial training by the time that officers have completed their period of attachment. At that point, in the summer of 1933, the Indian Air Force will come into complete existence. It is necessary to provide by an Act of the Indian legislature for the discipline of the officers and men of the new force since the British Air Force Act does not apply as it stands, to an Indian personnel nor is it restricted in its operation to British India.

The legislation can be undertaken in one of two ways : (a) by a bill to apply the British Air Force Act, with suitable modifications ; (b) by a self-contained bill bearing the same general relation to the British Air Force Act as the Indian Army Act bears to the British Army Act. As regards the alternative (a) sec. 177 of the British Air Force Act gives power to the Legislature of India or of any of the Dominions or Colonies to extend or apply all or any of the provisions of the British Act to the officers, non-commissioned officers and men of a locally raised Air Force, subject to such adaptations, modifications and exceptions as may be specified. The course thus indicated has been carefully considered by the Government of India, who do not, however, propose to adopt it, partly on account of the unsuitability of the British Act to an Indian force, and still more on account of the very complicated nature of the adaptations, modifications and exceptions that would be necessary. The British Air Force Act, which is an adaptation of the British Army Act, has a very long history behind it and has been so heavily amended from time to time that its arrangement has unavoidably become 'confused and some of its provisions are not easy to trace. These drawbacks, unavoidable in England, can be avoided in India and it is undesirable to burden an Indian personnel with difficulties which trouble even a British officer. Further large portions of the Act have no application to India, as for instance Part III, several of the sections in Part IV under the heading 'summary and other legal proceedings' and several of the sections in Part V, but in spite of this, a bill required to adapt the Air Force Act would be very lengthy. Comparatively few of the sections would entirely escape amendment, some would be slightly amended and others extensively amended. The second schedule to the Air

Force (Constitution) Act, 1907, which modified the Army Act into an Air Force Act is long and complicated though some of its provision are merely formal. The schedule necessary to adapt the Air Force Act to Indian conditions would be just as long and full of points, both of substance and intricate draftings. The reprinted Act, which would be the result of a bill on these lines, would necessarily differ very widely from the Air Force Act, and the desired object, namely, to retain a similarity between the Indian and British Acts would not in point of fact be achieved.

The Government of India have accordingly recommended the adoption of course (b) above, and are accordingly moving for leave to introduce a self-contained Indian Air Force Bill, which in its general outline and form follows the Indian Army Act of 1931. The Indian Army Act has existed in its present shape for 20 years, covering a period of highly intensive use. It has been amended several times certainly, but not heavily, and it is still the same measure in arrangement and in substance. It is drafted in fairly simple English, easily comprehended by Indian officers, and has been reproduced in translations known to the rank and file. The personnel of the Indian Air Force will very largely be drawn from classes which now furnish recruits to the Indian army, among whom some knowledge of the Indian Act is current. The Indian Act, too, was drafted with regard to the Indian Criminal Law, and sec. 7 (22) deliberately imports the terminology of the Indian Penal Code. There can be no doubt that an Act on the lines of the Indian Army Act will be much better understood by an Indian personnel than an act on English lines, and it is probable that even the attached British personnel will find less difficulty in following a simple Act on Indian lines than a heavily-amended version of the complicated Air Force Act.

The bill, therefore, is a self-contained measure which hon. members will be able to study without continual reference to other Acts. The material of it is drawn both from the Indian Army Act and from the British Air Force Act. The framework, the mode of drafting and the substance of the Indian Army Act have been adopted as far as possible, but where that Act departs widely from the more modern standards of the Air Force Act the provisions of the latter have been adopted. The provisions in which there is the widest departure from the Indian Army Act are contained in Chapters III and IV on Air Force offences and punishments. These chapters have been drafted so as to secure that members of the Indian Air Force will be punishable for any offence with no greater severity than members of the Royal Air Force.

THREE TARIFF BILLS.

Sir George Rainy then introduced three bills for the protection of the sugar industry, the wire and nail industry and the bamboo paper industry. The following is the text of statements :—

The statement appended to the *Sugar Industry Protection Bill* says : 'The object of this bill is to give protection to the sugar industry in accordance with the decisions announced by the Government of India in their resolution no. 127-T (29) dated Jan. 30, 1932, on the Tariff Board report on that industry.'

The statement of the Commerce Member on the *Wire and Wire Nail Industry (Protection) Bill* says :—'The object of this bill is, to give effect to the proposal made by the Tariff Board in their report on the grant of protection to the wire and wire nail industry that a temporary protective duty of Rs. 45 per ton should be imposed on iron or steel wire and wire nails. It is proposed in the bill that the duty should remain in force until March 31, 1934.'

Sir George Rainy's note on the *Bamboo Paper Industry (Protection) Bill* says :—'In its report regarding the grant of protection to the paper and paper pulp industries, the Tariff Board has recommended that the protective duties imposed on certain printing paper and writing paper by the Bamboo Paper Industry (Protection) Act, 1925, and the Bamboo Paper Industry (Protection) Act, 1927, should be continued, and in addition, that a protective duty of Rs. 45 a ton should be imposed on imported pulp in order to further the development of bamboo paper by offering a direct incentive for the manufacture of bamboo pulp. The Board has further recommended that these protective duties should remain in force for a period of seven years. The Government of India have accepted these recommendations, and the object of the bill is to give effect to the m.'

BILL TO TRANSFER DETENUS

Sir James Crerar moved the reference to a select committee of a *bill supplementing the Bengal Criminal Law Amendment Act 1930*, opinion on which had been collected under the direction of the Assembly at the last September session.

The main object of the bill was to re-enact secs. 4, 5 and 6 of the Supplementary Act, 1925, and thus supplement the provisions against the commission of terrorist crimes in Bengal and organisations of conspiracy to this end. The operative part of this bill was to enable the Bengal Government to transfer prisoners from Bengal jails to jails in other parts of British India.

The Home Member catalogued the tragic events since the bill was circulated and mentioned 93 crimes, 24 of which related to murders or attempted murders, not to speak of the recent attempts to derail trains. He complimented the Government officials on their courage in facing a serious situation. (Applause). Men of dangerous character were responsible for the state of indiscipline in jails and the promotion of plans and conspiracies for the commission of further crimes. It was their duty to prevent young men from being drawn into these acts, but specific instructions were issued by the conspirators to murder particular district magistrates, superintendents of police, persons on tribunals and other officials of Government and also to commit dacoities for securing money. Eighteen inveterate terrorists were actually transferred from the Bengal jails under Regulation III, but there were administrative and other objections to such a course. If this was passed it was proposed to transfer dangerous persons from Bengal to a Jail in Ajmer-Merwara, which had a salubrious climate.

HINDU WIDOWS' INHERITANCE BILL

4th. FEBRUARY:—Non-official bills of a controversial character appeared on the order paper of which Mr. Sarda's bill for a share for Hindu widows in their husbands' family property attracted a most unusual crowd of Indian ladies in the galleries. They came in batches on behalf of women's associations and included both those wearing brilliant silk sarees and khaddar dresses.

Mr. C. S. Ranga Iyer, supporting the bill, said social legislation at this stage of political evolution would only have an educative value otherwise it would remain a dead letter as the Sarda Act which was being defied with impunity in South India. Personally he thought that at this time all should join hands on political issues and social legislation could wait.

Sir Brojendra Mitter, Law Member, was not sure whether the bill dealt with a sonless widow who always inherited the property of her husband or widows with a son. He explained the existing law and doubted if draftsmen in the select committee could do much with the bill as it stood. He criticised the various clauses of the bill and said they over-rided the testamentary rights. The House could not be committed to the principle. In fact he could not discover any principle in the bill. If the object of the bill was to give a secure place for a widow in the Hindu social structure the bill certainly would not serve the purpose.

Mr. Sarda, replying to the debate, said the Government might retard the progress of the bill but could not kill social progress. He said that the Government did not consult any women's organisations in the country on a social bill, while on political matters it had nominated women to the Round Table Conference.

The House divided and rejected by 25 against 55 votes Mr. Sarda's motion.

DISSOLUTION OF MARRIAGES

Sir Hari Singh Gour moving that the bill to remove certain doubts regarding the dissolution of marriages of persons professing the Hindu religion be referred to a select committee said that he asked nothing more than to re-establish the law which had become antiquated and confer on Indian women their elementary rights under the Hindu law. He asked the House to sanction the annulment or dissolution of a marriage on the grounds mentioned in the statement of objects and reasons. The law by usage had become more customary and rigid than the generous and humane intention in which it was made by the great law-givers like Narada and Vashistha. The speaker called upon the House in the name of humanity to support him.

Further discussion at this stage terminated and the House adjourned.

THE WHEAT IMPORT BILL

6th. FEBRUARY:—Three Tariff Bills figured on the agenda paper when the Assembly met to-day to dispose of official business.

At the outset Sir George Rainy was allowed to introduce a *Bill to extend the operation of the Wheat (Import Duty) Act of 1931*. Sir George Rainy explained that since the passing of the Wheat (Import Duty) Act the Government of India had maintained a careful watch on the wheat position in India and they were satisfied that no such change had yet taken place as would justify the removal of the duty at the end of next March. The Bill, therefore, proposed to extend the existing duties on wheat and wheat flour for a further period of one year, that is, up to March 31, 1933, while retaining the power to reduce or remove them by executive action before that date, if circumstances so changed as to render the duties excessive or unnecessary.

THE SUGAR INDUSTRY

Sir George Rainy next moved to refer to a select committee the *Bill to provide for the fostering and developing of the sugar industry in British India*. Sir George Rainy said that the report of the Tariff Board had been before the country for over one month and the trend of public opinion showed that the recommendations of the Board had been generally accepted. The reason which prompted Government to undertake legislation was that the development of sugar industry was a matter of great national importance. Government had accepted proposal of the Tariff Board to impose a protective duty of Rs. 7-4 per maund on sugar for the next seven years. He reminded the house that there was already a revenue duty of the same magnitude on sugar since March, 1931 and the Government now proposed to convert that duty into a protective duty for the next seven years. The additional surcharge imposed last September would not be affected by the Bill.

Sir George Rainy stated that the Government had said nothing in the Bill about Rs. 6-4 protective duty for the subsequent eight years as recommended by the Tariff Board, the reason for this being that it was too early to forecast what rate of duty would be necessary after eleven years, reconsidering the disturbed economic conditions of the country. Provision, therefore, had been made for a statutory inquiry after March 31, 1938, as to the manner in which any protection found necessary should be conferred. The Government had also accepted the proposal of the Tariff Board to give protection to the lower kind of sugar and provision had been made in the Bill to assure the agriculturists a fair return for their produce.

WIRE AND WIRE-NAIL INDUSTRY

Sir George Rainy next moved to refer to a select committee the *Bill to provide for the fostering and development of the wire and wire nail industry in British India*. The Commerce Member said that wire and wire nails were important subsidiary industries to steel. The question before Government had been whether there was an adequate supply of raw material (steel rod in this case) in India, also whether there was sufficient market for the development of the industry. The Government were satisfied that there was a market for products in India, but for the present wire rods were being imported from abroad as there was no mill in the country where these could be manufactured. The firm at Jamshedpur had offered to purchase a mill but the difficulty was that unless this concern was assured of assistance they could not raise sufficient capital to purchase a mill nor could they develop the industry. The Government had, therefore, decided to give protection only up to March 31, 1934, when that question also would be fully examined. The House, therefore, was not asked to commit itself to protection indefinitely.

BAMBOO PAPER INDUSTRY

Sir George Rainy, the Commerce Member, further moved that the *Bill further to amend the law relating to the fostering and development of the bamboo paper industry in British India* be referred to a select committee. In doing so, he said the simple object of Government in imposing a protective duty of Rs. 45 a ton on imported pulp for seven years was to enable the enormous supply of bamboo pulp in India to be made use of extensively with the country.

INDIAN AIR FORCE BILL

Mr. G. P. Mackworth Young, the Army Secretary, then moved the reference of the Indian Air Force Bill to a select committee. In doing so, he said that the Bill aimed at numerous changes to be made to suit Indian conditions. It was circulated by executive order for public opinion and there was no opposition to it so far. The House then adjourned till the 10th. February.

SUPREME COURT FOR INDIA

10th. FEBRUARY:—Mr. Bhagat Ram Puri (Punjab) moved a resolution to-day urging early steps to secure the establishment of a Supreme Court in India with power (a) to interpret and uphold the constitution, (b) to act as the court of final criminal appeal against all sentences of death, (c) to act as the revising court in specified serious cases, (d) to hear civil appeals now heard by His Majesty's Privy Council, and (e) generally to carry out the work, at present entrusted to His Majesty's Privy Council, provided that such a court shall not affect His Majesty's prerogative, safeguarded in the constitutions of Canada, Australia and South Africa.

Mr. Puri said that the principle of the establishment of the Supreme Court was fully considered by the Federal Structure Committee, which pointed out that the creation of such a court was in the natural course of evolution. The British Indian delegates had opined that there should be two divisions in this court, one dealing with Federal matters and the other with appeals from provincial High Courts. The Indian States delegates had stated that there should be a Supreme Court in British India only. The speaker pointed out that any attempt on the part of the Round Table Conference to curtail the right of appeal, enjoyed by the subjects over a century, would be resented as a retrograde measure. At present in civil matters there were two appeals, but in regard to criminal cases there was only one appeal, and Mr. Puri did not see why a corresponding facility should not be provided in criminal cases, especially as they involved matters of life and death for the subjects.

Proceeding, Mr. Puri explained the difficulties of the accused persons in criminal matters. He remarked in connection with police investigations that the police was not an ideal body. His description of the police as a "legislatively discredited body" was strongly protested against by the Home Member. Mr. Puri also observed that there was no ideal administration of justice through Sessions. Concluding Mr. Puri quoted the opinion of late Mr. Norton that only men with means could get a hearing in the Privy Council.

Mr. Seetharama Raju (Madras) suggested the withdrawal of the resolution. He pointed out that so far as the right to interpret and uphold the constitution was concerned, the Federal Structure Committee had decided that this was entirely for the Federal Court and not the Supreme Court. But that Committee had recommended the establishment of a Supreme Court for other matters. There was a difference of opinion regarding its powers as the final court of criminal appeals. But even here the Committee had not given the final decision as it had no time.

Sir Hari Singh Gour, supporting the resolution, explained the need for every part thereof. Stressing on the criminal appeals part Sir Hari Singh explained how in cases in which the Assessors' verdict was not approved by the Sessions Judges, the latter only referred the matter to the High Court and there it was only taken into consideration and no appeal was unusually heard. The right of the second appeal could not be denied to the people, and it was too late in the day for Dr. DeSouza to appeal to the recommendations of the Civil Justice Committee in this regard, which were buried four years ago by a decision of this House. As for Civil appeals, there was no intention to give anybody more right of appeal than what was already enjoyed, and the intention was to see that the litigants' case was heard by a tribunal nearer home at a less cost and with greater convenience.

Sir James Crerar, Home Member, explained that the attitude of Government was one of neutrality. The answer either negative or in the affirmative, to the many questions propounded in the resolution, must necessarily anticipate a state of affairs which Government could hardly expect to anticipate in such a manner as to lead them to express any positive or affirmative view. Government would not, therefore, oppose the resolution but at the same time they did not thereby affirm all or any of the propositions which the resolution contained. Hence Government and official members would not vote on this resolution. Concluding the Home Member reiterated

the protest against the aspersions cast on the police and magistracy by Mr. Puri whose strictures were undeserved. (Applause).

Mr. Shanmukham Chetty recalled a similar debate in 1925 when on the lead given by the late Pandit Motilal Nehru the resolution was rejected by the Assembly. He stated that the arguments then advanced by Pandit Motilal Nehru still held good and as long as judicial and executive functions are not separated hardly any justice could be expected from the Supreme Court. The speaker agreed with the late Pandit that the creation of a Supreme Court would be the function of self-governing India and they should wait till the self-governing legislature came into being.

Mr. C. C. Biswas (Bengal) said litigation was the bane of India and the creation of Supreme Court would only add to it. He doubted if in India of to-day they could find impartial judges to constitute a Supreme Court.

Sir B. L. Mitter (Law Member), speaking from the detached point of view of a lawyer who had ceased to practice, held that the resolution, if given effect to, would abolish the Privy Council and create a mock Privy Council in India. He was amazed to hear arguments in favour of a second appeal in criminal cases. The creation of a Supreme Court would only mean delay in the vindication of justice. He felt that what was required was to improve the existing machinery rather than to create another Court of Appeal. Mr. A. Hoon wanted assurance from the Government that when the new court would be created under the new constitution it would also function as a second Court of Appeal. India has been asking for the separation of Judicial from Executive functions for considerable time and now they wanted a third court to judge impartially. In any case it would be more impartial than even the High Courts.

Mr. Bhagatram Puri, winding up the debate, asked where was a speedy trial in the Delhi and Meerut conspiracy cases. The Law Member was unjust and ungenerous when he said that the Tribunal raised here in substitution of Judicial Committee of the Privy Council would be a mock Privy Council. If that was the opinion of those who were to recommend the establishment of a Supreme Court then why not abolish the High Court?

The resolution was pressed for division and was carried by 34 against 17 votes. The Government, other official members and many members of several groups also remained neutral. The Assembly adjourned till the 12th.

ASSEMBLY 'PRIVILEGE' AND PRESS REPORTS

12th. FEBRUARY:—The adjournment motion of *Mr. C. S. Ranga Iyer* over 'the unsatisfactory reply of the Home Member to Sardar Sant Singh's question regarding the publication in the press of speeches made in the Assembly, was debated at length to-day and as the Law Member wanted time to give a considered opinion on the points raised the motion was postponed till the next day at the President's suggestion. Mr. Ranga Iyer referred to the Home Member's statement that, while the freedom of speech was secured to the members of the Assembly under the Government of India Act, the publication of a speech was liable to be determined by the ordinary law, including the Press Act of 1931 and by the provisions of the Ordinances, and, in particular, by sec. 63 or Ordinance II of 1932. Thus the publication of reports of speeches was guided, pointed out Mr. Ranga Iyer, not only by the ordinary law passed by this House but by the Ordinances which were not brought before the House and which had amended the ordinary law. Sir James Crerar had relied the other day on May's 'Parliamentary Practice', but page 169 of that volume made it clear that the privilege of protection of debates in Parliament extended to the reports and other proceedings as well. Thus, the Home Member's statement the other day was in contravention of Parliamentary procedure.

The President quoted from the question of Sardar Sant Singh, the answers to which by Sir James Crerar were considered unsatisfactory. In that question there was no reference to the ordinary law of the land. The question was specifically put whether under any Ordinances or rules made or orders issued by an executive authority thereunder newspapers could be penalised for publishing reports. The answer was: "Under the Government of India Act no speeches in the Assembly could be penalised. (Laughter.) The right of free speech secured to members by sec. 67 (7) of the Act is not affected by any Ordinance. The provisions of this

section do not apply to the publication of reports by newspapers, of which liability is determined by the provisions of law, including the Press Act, 1931." I do not think any exception could be taken to that either, but the real difficulty arises by the following words of the Home Member :—"And by the provisions of the Ordinances, particularly by sec. 63 of Ordinance II of 1932". Before I proceed further with the various points, I should like to ask the Home Member whether he is prepared to make a statement that so far as publication of the proceedings of the Assembly is concerned no Ordinance will affect them. Let me make it clear that the ordinary law does apply, and this motion does not affect the ordinary law applying to publication of the proceedings of the House. The only question is whether by the Ordinances a new departure has been made in regard to publication of the proceedings of the House."

Sir James Crerar replied :—"An Ordinance is a law. The question is, what is the actual effect of the law. I cannot answer what is the precise effect of an Ordinance. It is obviously a question if and when a case arises for interpretation by the courts, and I cannot possibly take upon myself to say authoritatively either what is the effect of the law or what the view taken upon it by the law courts would be."

The President :—The Chair is entitled to ask the opinion of the Law Member, who is fortunately present here. I want to know whether the issue of Ordinances makes any difference whatsoever in the matter of publication of the proceedings of this Houses in newspapers, as has been going on ever since the Assembly came into existence.

Sir B. L. Miller said he was somewhat taken by surprise and wanted time to consider the matter.

The President advised Mr. Ranga Iyer not to press his motion to-day and promised to accept it for to-morrow after ascertaining the considered opinion of the Law Member. *Mr. Ranga Iyer* bowed to the President's suggestion.

CR. LAW AMENDMENT BILL

Resuming the debate on the select committee motion on the Criminal Law Amendment Bill, *Mr. Ranga Iyer* condemned the attempted outrage on the Bengal Governor and conveyed his congratulations on his Excellency's providential escape. He repudiated the suggestion made in some Anglo-Indian newspapers which attributed the terrorists' crimes to the activities of the Congress. Since placing the Criminal Law Amendment Act on the statute book crime had not abated.

Mr. Ranga Iyer based his objection on the opinion of the Assam Government, which did not like the idea of transferring detenus to other provinces. He strongly protested against the remarks made by Mr. Cosgrave (chief Government whip) as chief secretary of the Assam Government that the detenus were criminals and desperate individuals fit to be deported to the Andamans. He would not be a party to give the Home Member the privileges of Regulation III, which had been repeatedly condemned as a rusty weapon. If the Government wanted such powers as were found in the present bill let them convert these detenus into Regulation prisoners. The cure for terrorism was not detention of people without trial on the mere pretence of police evidence. Let the Government produce them before a proper court if they were suspicious of their *bona fides*. *Mr. Ranga Iyer* asked *Sir James Crerar* if he would provide travelling allowances for the relations of detenus to see them in distant places. He finally announced that he would not serve on the select committee as he did not agree with the principle of the bill.

Mr. B. Das did not like that the Government should force down the throat of the House a legislation opposed to all principles of democratic legislation. The outrage on the Bengal Governor did not justify the introduction of panicky legislation. The speaker narrated the difficulties experienced by prisoners in different jails in other provinces with regard to diet, language, etc. He agreed with *Mr. Ranga Iyer* that if detenus were transferred to other provinces their relations should be provided with travelling allowances and other facilities.

Sir Abdur Rahim at the outset said that his attention had been drawn to a statement made by *Mr. R. S. Sarma* to the effect that while he (*Sir Abdur Rahim*) was a member of the Executive Council in Bengal holding the portfolio of jails he was at one time asked on the phone by the Governor to resign, suggesting that his administration of the Jails department was not approved of. He (*Sir Abdur Rahim*)

the protest against the aspersions cast on the police and magistracy by Mr. Puri whose strictures were undeserved. (Applause).

Mr. Shanmukham Chetty recalled a similar debate in 1925 when on the lead given by the late Pandit Motilal Nehru the resolution was rejected by the Assembly. He stated that the arguments then advanced by Pandit Motilal Nehru still held good and as long as judicial and executive functions are not separated hardly any justice could be expected from the Supreme Court. The speaker agreed with the late Pandit that the creation of a Supreme Court would be the function of self-governing India and they should wait till the self-governing legislature came into being.

Mr. C. C. Biswas (Bengal) said litigation was the bane of India and the creation of Supreme Court would only add to it. He doubted if in India of to-day they could find impartial judges to constitute a Supreme Court.

Sir B. L. Mitter (Law Member), speaking from the detached point of view of a lawyer who had ceased to practice, held that the resolution, if given effect to, would abolish the Privy Council and create a mock Privy Council in India. He was amazed to hear arguments in favour of a second appeal in criminal cases. The creation of a Supreme Court would only mean delay in the vindication of justice. He felt that what was required was to improve the existing machinery rather than to create another Court of Appeal. Mr. A. Hoon wanted assurance from the Government that when the new court would be created under the new constitution it would also function as a second Court of Appeal. India has been asking for the separation of Judicial from Executive functions for considerable time and now they wanted a third court to judge impartially. In any case it would be more impartial than even the High Courts.

Mr. Bhagatram Puri, winding up the debate, asked where was a speedy trial in the Delhi and Meerut conspiracy cases. The Law Member was unjust and ungenerous when he said that the Tribunal raised here in substitution of Judicial Committee of the Privy Council would be a mock Privy Council. If that was the opinion of those who were to recommend the establishment of a Supreme Court then why not abolish the High Court?

The resolution was pressed for division and was carried by 34 against 17 votes. The Government, other official members and many members of several groups also remained neutral. The Assembly adjourned till the 12th.

ASSEMBLY 'PRIVILEGE' AND PRESS REPORTS

12th. FEBRUARY:—The adjournment motion of *Mr. C. S. Ranga Iyer* over 'the unsatisfactory reply of the Home Member to Sardar Sant Singh's question regarding the publication in the press of speeches made in the Assembly, was debated at length to-day and as the Law Member wanted time to give a considered opinion on the points raised the motion was postponed till the next day at the President's suggestion. *Mr. Ranga Iyer* referred to the Home Member's statement that, while the freedom of speech was secured to the members of the Assembly under the Government of India Act, the publication of a speech was liable to be determined by the ordinary law, including the Press Act of 1931 and by the provisions of the Ordinances, and, in particular, by sec. 63 or Ordinance II of 1932. Thus the publication of reports of speeches was guided, pointed out *Mr. Ranga Iyer*, not only by the ordinary law passed by this House but by the Ordinances which were not brought before the House and which had amended the ordinary law. *Sir James Crerar* had relied the other day on *May's 'Parliamentary Practice'*, but page 169 of that volume made it clear that the privilege of protection of debates in Parliament extended to the reports and other proceedings as well. Thus, the Home Member's statement the other day was in contravention of Parliamentary procedure.

The President quoted from the question of *Sardar Sant Singh*, the answers to which by *Sir James Crerar* were considered unsatisfactory. In that question there was no reference to the ordinary law of the land. The question was specifically put whether under any Ordinances or rules made or orders issued by an executive authority thereunder newspapers could be penalised for publishing reports. The answer was: "Under the Government of India Act no speeches in the Assembly could be penalised. (Laughter.) The right of free speech secured to members by sec. 67 (7) of the Act is not affected by any Ordinance. The provisions of this

section do not apply to the publication of reports by newspapers, of which liability is determined by the provisions of law, including the Press Act, 1931." I do not think any exception could be taken to that either, but the real difficulty arises by the following words of the Home Member :—"And by the provisions of the Ordinances, particularly by sec. 63 of Ordinance II of 1932". Before I proceed further with the various points, I should like to ask the Home Member whether he is prepared to make a statement that so far as publication of the proceedings of the Assembly is concerned no Ordinance will affect them. Let me make it clear that the ordinary law does apply, and this motion does not affect the ordinary law applying to publication of the proceedings of the House. The only question is whether by the Ordinances a new departure has been made in regard to publication of the proceedings of the House.'

Sir James Crerar replied :—"An Ordinance is a law. The question is, what is the actual effect of the law. I cannot answer what is the precise effect of an Ordinance. It is obviously a question if and when a case arises for interpretation by the courts, and I cannot possibly take upon myself to say authoritatively either what is the effect of the law or what the view taken upon it by the law courts would be."

The President :—The Chair is entitled to ask the opinion of the Law Member, who is fortunately present here. I want to know whether the issue of Ordinances makes any difference whatsoever in the matter of publication of the proceedings of this Houses in newspapers, as has been going on ever since the Assembly came into existence.

Sir B. L. Mitter said he was somewhat taken by surprise and wanted time to consider the matter.

The President advised Mr. Ranga Iyer not to press his motion to-day and promised to accept it for to-morrow after ascertaining the considered opinion of the Law Member. Mr. Ranga Iyer bowed to the President's suggestion.

CR. LAW AMENDMENT BILL

Resuming the debate on the select committee motion on the Criminal Law Amendment Bill, Mr. Ranga Iyer condemned the attempted outrage on the Bengal Governor and conveyed his congratulations on his Excellency's providential escape. He repudiated the suggestion made in some Anglo-Indian newspapers which attributed the terrorists' crimes to the activities of the Congress. Since placing the Criminal Law Amendment Act on the statute book crime had not abated.

Mr. Ranga Iyer based his objection on the opinion of the Assam Government, which did not like the idea of transferring detenues to other provinces. He strongly protested against the remarks made by Mr. Cosgrave (chief Government whip) as chief secretary of the Assam Government that the detenues were criminals and desperate individuals fit to be deported to the Andamans. He would not be a party to give the Home Member the privileges of Regulation III, which had been repeatedly condemned as a rusty weapon. If the Government wanted such powers as were found in the present bill let them convert these detenues into Regulation prisoners. The cure for terrorism was not detention of people without trial on the mere pretence of police evidence. Let the Government produce them before a proper court if they were suspicious of their *bona fides*. Mr. Ranga Iyer asked Sir James Crerar if he would provide travelling allowances for the relations of detenues to see them in distant places. He finally announced that he would not serve on the select committee as he did not agree with the principle of the bill.

Mr. B. Das did not like that the Government should force down the throat of the House a legislation opposed to all principles of democratic legislation. The outrage on the Bengal Governor did not justify the introduction of panicky legislation. The speaker narrated the difficulties experienced by prisoners in different jails in other provinces with regard to diet, language, etc. He agreed with Mr. Ranga Iyer that if detenues were transferred to other provinces their relations should be provided with travelling allowances and other facilities.

Sir Abdur Rahim at the outset said that his attention had been drawn to a statement made by Mr. R. S. Sarma to the effect that while he (Sir Abdur Rahim) was a member of the Executive Council in Bengal holding the portfolio of jails he was at one time asked on the phone by the Governor to resign, suggesting that his administration of the Jails department was not approved of. He (Sir Abdur Rahim)

wished to state to the House that this statement of Mr. Sarma was an absolute falsehood. The speaker himself gave up the Jails portfolio because he refused to hold charge of it unless his policy was pursued. To make allusions in the Assembly as to what happened in Bengal when he was a member of the Government was not fair. The Government ought to see that their nominees did not make statements of this kind. Speaking on the motion, Sir Abdur Rahim said that his party would not oppose the reference of the bill to a select committee.

Mr. C. C. Biswas supported the motion. As an eyewitness of a recent incident in Bengal he said he could not but support the motion. The time was past when mere denunciation of such crimes was enough. Public opinion must mobilise itself, and here Mr. Biswas criticised the leaders of public opinion in Bengal for not having expressed their horror and indignation at public meetings.

Mr. S. C. Jog interrupted the speaker by reminding him that public meetings were not allowed nowadays.

Mr. Biswas retorted : 'I am speaking of the days before the Ordinances when such crimes were perpetrated. The Ordinances are only the result of those crimes. We are here to-day to supplement the Bengal law.' The question of policy could be dealt with only when the parent bill was under discussion, but not when a corollary legislation was brought forward.

Sir Hari Singh Gour, leader of the Nationalist party, gave his support to the motion for a select committee because this was a temporary evil. Though in ordinary times his party would have objected to such a measure, yet he recognised the exceptional circumstances and would not stand in the way of the bill being sent to a select committee. The bill repealed the Habeas Corpus Act in respect of detenus and even empowered sentence of detention as well as sentence of deportation without trial. The Government should, therefore, in the select committee act in such a manner as not to be impervious to the appeals of humanity and compassion.

Sir James Crerar acknowledged the speeches of Sir Hari Singh Gour, Sir Abdur Rahim and Mr. Biswas, and joined in the thanks to Providence for the escape of the Bengal Governor. He particularly praised the courageous action of the Vice-Chancellor of Calcutta University in saving the Governor. He recognised that a heavy responsibility rested on the Government. At the same time he hoped Mr. Biswas's words would appeal to an audience wider than this House.

Messrs. Ranga Iyer and Amarnath Dutt having got out of the select committee, Sir Hari Singh Gour and Mr. Harbilas Sarda were put in, and the motion for a select committee was carried.

FINANCE ACT SUPPLEMENTARY BILL

The Finance Act Supplementary and Extending Bill was then passed.

THE WHEAT IMPORT BILL

Speaking on the Wheat Import Bill, *Dr. Ziauddin* complained of the cramped market for wheat. The present bill would afford some relief, but one year's provision was insufficient. He urged that the profit made by the Government in issuing paper money should be diverted towards the relief of agriculturists as was done in Egypt.

Sir George Rainy said that Dr. Ziauddin, like Oliver Twist, always wanted more. The Commerce Member pointed out that Dr. Ziauddin's amendment extending the period to 1934 was out of order as it involved taxation which required the prior sanction of the Governor-General.

The President ruled Dr. Ziauddin's amendment out of order on that point.

Mr. Morgan, moving the reduction of the import duty from Rs. 2 per hundred-weight, contended that the amendment was not aimed at a reduction of prices. There was no change in the position of prices this year and the object of his motion was to bring them to the position of last year. The price of Rs. 4-6 was a fair selling price for Indian wheat. He did not anticipate any fall in prices. Mr. Morgan maintained that a duty of Rs. 2 was rather severe on the consumer, and he therefore urged its reduction.

Mr. Yamin Khan opposed Mr. Morgan's amendment on the ground that it would result in withdrawing the protection given to agriculturists under the Act. The amendment, if accepted, would benefit importers as against consumers.

Sir George Rainy regretted that he could not accept *Mr. Morgan's* amendment.

Mr. Morgan having withdrawn his amendment, the Wheat Import Bill was passed. The Assembly then adjourned.

ASSEMBLY 'PRIVILEGE' AND PRESS REPORT

13th. FEBRUARY :—To-day the President informed the Assembly that on the question of press privilege raised by *Mr. Ranga Iyer* yesterday *Sir B. L. Mitter*, Law Member, approached the Chair yesterday and represented that as he had made an engagement to leave the station last night whether he (the President) would agree to receive his considered opinion in writing instead of being present here. The Chair accepted *Sir B. L. Mitter's* request and received the following communication :—

'In my opinion the ordinances have made no change in the ordinary law of the land in the matter of publication in public press or otherwise of the proceedings of the legislature.'

Sir Ibrahim proceeded : The whole object of the adjournment motion is met and nothing further need be considered. I trust the Law Member's opinion will be considered satisfactory as no change has been made in regard to publication of the proceedings of the Assembly by the promulgation of the ordinances.

Mr. S. C. Mitra :—Is that also the opinion of the Government of India ?

The President :—That is the opinion of the Law Member and of the Government of India.

DISSOLUTION OF MARRIAGES

The debate was then resumed on *Sir H. S. Gour's* motion for reference to a select committee of the bill to remove certain doubts regarding the dissolution of marriages of persons professing Hinduism.

Mr. Sitaram Raju moved an amendment that the bill be recirculated for the purpose of obtaining further opinion thereon of the Hindu community including men and women and their organizations. He sympathised with *Sir H. S. Gour* in his enthusiasm for social reform but thought if the orthodox Hindus were tolerant and the social reformers less impatient, there would then have been no need for this kind of measure.

Mr. Ranga Iyer characterised the amendment as a piece of dilatory tactics and pointed to the immense progress made in Mysore and Baroda in matters of social reform of the kind before the House. He did not think the laws made by the ancient *Rishis* who fled into secluded hills and did not know much of the needs of the people were unalterable. But he asked the House to take the modern circumstances into account and not to oppose the permissive kind of reform. The speaker, however, did not like *Sir H. S. Gour* to press for division, for in the absence of responsible government for which they were fighting it would be only creating further dissensions amongst their ranks.

Mr. Raghbir Singh said though personally he was in favour of the bill he could not go against the wish of the bulk of his constituents who opposed the bill. He, however, supported the amendment for circulation. The House then adjourned.

AMENDMENT OF INCOME-TAX ACT

15th. FEBRUARY :—Brisk canvassing was afoot when the Assembly met to-day to discuss the bill relating to income tax on foreign investments and to consider and pass the Partnership Bill.

After question time further discussion on the select committee motion of *Sir George Schuster* to amend the Indian Income-tax Act was resumed. *Dr. De Souza* said that the principle of the bill was an admirable one in every respect except the clause which referred to incomes which accrued without British India to persons resident but not domiciled in British India. He considered this would put to considerable hardship the little traders who were nationals and carried business abroad. The speaker offered conditional support if the Finance Member gave an undertaking that such persons would be exempt from liability.

Dewan Bahadur Rangachariar, ex-leader of the Opposition, was cheered when he rose to deliver his speech. *Mr. Rangachariar* said that he approved of the principle of the Bill and did not like people to escape a just taxation but he held

that as there would be no Finance Bill this year this taxation bill was the only occasion wherein he could in this session assert the principle of refusing supplies to the Government whose moral sense had become so blurred that it allowed its agent to commit excesses. He narrated Dr. Paton's case and the Thali incident from Madras and asked how could the Government call itself strong which could not keep its own household in control. What punishment had been given to the offending officers? None. Such Government deserved no financial help.

Mr. Abdul Matin Choudhury said that the Bill was a sound, simple and reasonable proposition but the European and Indian capitalists who had been dodging the collectors had combined to oppose the Bill. He held it unpatriotic for the people to send capital abroad and accentuate unemployment in India. He congratulated the Finance Member on the splendid tenacity with which he was carrying on work in spite of European opposition to the Bill. He maintained that it was in the general interest of the Indian public.

A Member.—Why are you remaining neutral?

Mr. Choudary.—Unfortunately by the tyranny of the majority my party decided to oppose the Bill, so I remain neutral.

Sir Abdur Rahim, leader of the Independents, said that he approved of the principle of the Bill and in ordinary circumstances would have been perfectly willing to give full support though there was a question for consideration whether it would be advisable for them to handicap their own nationals doing business abroad. He opposed the Bill now because it would add largely to taxes without the Government persuading them that there was any necessity for taxation.

Mr. C. C. Biswas said the opinion received on the Bill after circulation showed that practically none pressed for the Bill. He feared the insurance companies would suffer more than even European interests.

Sir George Schuster assured the House that the Bill was not a measure brought forward in rush but that since taking over his office he had been considering the question of removing the defect in the law. He spoke for an hour and told the House that his reason was that although the life of the Bill might be terminated to-day, this would not be the last the House would hear of it and he would like to place on record his full answer to the points raised in the debate. His objects in introducing the Bill were twofold: Firstly, to remove an unnatural inducement to the movement of capital from this country; secondly, to produce revenue. Referring to the former object he said that 99 per cent. of the arguments used in debates in all parliaments of the world in stating that there was no desire to evade income tax were nonsense. 'We all know that the charge of income-tax specially when it is becoming heavy is the most powerful operating factor in determining the way wherein business is done and the form wherein money is invested. When people can save income-tax by sending money abroad that is the most powerful inducement to send money out of this country.'

As regards revenue, he admitted the Government's Finance Bill was a self-contained measure and did not include revenue from this source. But this bill was before the House even before the Finance Bill came. In any case any Finance Member would in these days welcome a little additional margin of safety which about 50 lakhs of extra revenue in the first year from this bill might give him. He at the same time assured that if supplies exceeded his needs he would use them to lowering taxation in the directions which weighed heavily against the prosperity of the country. The Finance Member said that Dewan Bahadur Rangachariar's argument of refusal of supplies was ineffective as the proceeds from this bill in any case would not be available next year. 'We are considering something which does not concern supplies next year. We are considering a principle which the House really cannot reject without deliberately neglecting what are the true interests of India.' *Sir George Schuster* said that *Mr. Mody* had himself admitted that some people had opened mills in Indian States because of lighter taxation there.

Mr. Mody: I referred to municipal taxation.

Sir George Schuster: Even if that were so my point is proved that it is a question of evading higher taxation that operates in favour of investment abroad.

As regards the question that evasions of law could not be checked, Sir George Schuster said : "That argument would operate against any taxation measure and if the Indian Assembly takes that view it is hardly doing justice to the people of India". Referring next to the arguments of Mr. Chetty that he approved the principle of the Bill provided the condition was observed that reciprocal arrangements were entered into with all countries of the world for relief from double taxation, Sir George Schuster said that the fact of the matter was that the United Kingdom had reciprocal arrangements only with the Dominions and no foreign countries. 'If we are to wait for this measure till we have entered arrangements with countries of the world we will have to wait till doomsday. My main objective is to get at the investment funds in foreign securities. I can name numerous sterling securities and other foreign securities wherein income-tax is not deducted as the source of taxation so that the argument of double taxation is grossly exaggerated.' Sir George Schuster next dealt with the question of discrimination. He admitted that under the existing law England was a sleeping partner taxed only on the income received by him from abroad and that in this matter the provisions in his Bill were somewhat stricter but that was a question to be debated in the select committee. Sir George Schuster next said that it was far better that Indians did business in India than in Kenya, China or elsewhere.

Sir Cowasji Jehangir : Provided they can do the same business in India.

Sir George Schuster : There are ample opportunities for business in India. In fact India is suffering from a lack of enterprise and capital to develop its resources.

The Finance Member assured that the select committee could easily protect the legitimate interests of insurance companies as was done in England and also take note of the point of view of immunity to agricultural incomes from income-tax. As regards the general reaction of this measure on Indian States the select committee would have to deal with the whole question of residence and define residence for income-tax purposes. One member had said he would support the Bill provided pensions and salaries of officials paid abroad were taxed. This was irrelevant to the present Bill. As regards the question of a domicile and discrimination proposed in the Bill he admitted that the position of those residing in India, though not domiciled, was different from that in England of those who came in the same category and he complimented the public-spirited manner wherein the European group had approached the question. His answer to Sir Cowasji Jehangir was that the select committee could make changes here and if it so wished it could order recirculation of the bill. 'The measure is of such importance that it ought not be killed right now and ought to receive the fullest possible consideration from the whole country. The motion for the select committee merely involves an approval of the principle and most of those who oppose it had told us they approve of it. Is there a single member of this House who can put his hand on his heart and say that the present position of the law whereunder any person can send money abroad and evade taxation is satisfactory? The House will, therefore, be absolutely wrong if it rejects this Bill. You may ask why we pursue it inspite of the opposition of the provincial Governments and our friends of the European group. The answer is simple, because we feel it is right. I cannot reconcile it to my conscience not to take the opportunity to alter the present state of the law which, as I am convinced, is doing great harm to India. (hear, hear). If that principle is not accepted this House will be taking responsibility. Speaking for myself I will be relieved of the heavy work in connection with this Bill and I should be a great deal loser of my own money during my period of office, but what I value more is my pride of doing my duty to this House and my respect for this House' (Applause).

The House divided on the motion to refer the Bill to a select committee and the European and Indian parties joined hand in defeating the motion by 47 to 41 votes. About six members remained neutral.

THE PARTNERSHIP BILL

Sir Lancelot Graham moving for consideration of the Partnership Bill expressed gratification at the very few amendments to the Bill. He specially mentioned clause 19 and also the clause dealing with the position of minors in regard to the benefits of partnership. Concluding Sir Lancelot emphasised the non-controversial character of the measure which would effect vital improvements in a very important branch of the law.

Mr. Harbilas Sarda occupied a considerable time in stressing the salient points of his note of dissent. He remarked that the provisions contained in chapter 7 would be very cautiously and gradually applied to India. Clause 68, he feared, might prove serious to business in small towns and villages and he suggested that firms with a capital of less than 1,000 should be exempted. He thought that no case had been made for chapter 7 dealing with compulsory registration of partnership.

Mr. Heathcote denied that chapter 7 had been incorporated to meet the claims of the British mercantile community. What was desired was that registration should be made compulsory as in England and that the Hindu undivided family should be made to register. It was contended that registration was such an arduous process that the promoters of smaller companies found it a great handicap. *Mr. Heathcote* treated this an exaggeration.

Sir B. L. Mitter entered into a lengthy explanation of the provisions of the Bill and answered criticisms especially regarding compulsory registration and liability of partners. It was for the protection of an honest third party and an honest partner and co-partner themselves that the provisions of sec. 68 were necessary. The Law Member was considerably heckled by lawyer members like Messrs. Chetty and Rangachariar and *Sir Abdur Rahim* regarding the exact position and at one stage the President remarked, 'The Bill is not properly understood by the House.'

Further debate was postponed and the Assembly adjourned

EXCHANGE POLICY

16th. FEBRUARY—Non-official resolutions were discussed in the Assembly to-day. At the outset *Dr. Ziauddin Ahmad* moved on behalf of *Mr. Mahammad Ibrahim Ali Khan* a resolution urging that 'the Government of India should not expend the resources of the country in an attempt to stabilise exchange but concentrate their efforts on stabilising prices.' *Dr. Ziauddin* recounted at length the history of the exchange policy by the Government of India who, contrary to what the European countries did, had established exchange at a higher rather than lower value compared to the pre-war rate. The result was that India had lost 70 crores in the attempt to fix the exchange at two shillings. Then again the fact that not infrequently the Imperial Bank rate was higher than the market rate showed that the exchange policy was wrong. He maintained that the fall of prices in India was not due to over-production but to the exchange policy. If, on the other hand, the Government had concentrated attention on stabilising prices India would have been far better off. He instanced the case of trade in hides and skins to support his point and ended with an appeal to the Government to change their policy even now.

The Finance Member said he had looked for some more enlightenment before replying and had thought that the subject should have raised great and genuine interest but was disappointed to find that none had risen. *Sir George Schuster* maintained that the major part of what India was suffering was the result of world conditions which had nothing to do with her own policy. It was true that deplorable results had occurred owing to the catastrophic fall in prices but if the system of currency based on gold was to work in the world then there must be a proper utilisation of the gold resources of the world. The largest single controllable factor of the present world crisis lay in the monetary policy more especially in the fact that for various reasons the stocks of gold in the world had accumulated in the hands of France and the United States. India was only a unit in this crisis. Political disturbances in India which might retard normal recovery might be of sufficient importance to react on the rest of the world to an appreciable extent just as the disturbances in China were now also contributory causes, but it would be an illusion to suppose that India by her own currency policy could have been immune from these reactions. For there were obvious limitations of every country's currency policy. The path which *Dr. Ziauddin* suggested would lead India into jungles whereas the present policy of the Government was to adhere to its own path. Although he (*Sir George Schuster*) did not see the final end of the path he could see steps in the next few months which satisfied him as moving in the right direction. The Government of India's policy was broadly to meet the needs and interests of India. That had already led to a steady improvement in the prices of most commodities like cotton and improvement in India's position to meet her foreign obligations. As an indication of the ideal to be pursued he welcomed *Dr.*

Ziauddin's resolution but if it was a censure on the present policy of the Government then he objected to the resolution.

Dr. Ziauddin withdrew the resolution as *Sir George Schuster* expressed himself in general agreement with the resolution. At the same time he thought India became a poorer country owing to the flight of gold.

GRIEVANCES OF RETRENCHMENT OFFICERS

Pandit S. N. Sen moved for a committee of the Central Legislature to hear the grievances of the retrenched officers in the Central Government under recent retrenchment schemes with a view to redress injustices and inequities.

Mr. Bhupat Singh moved an amendment for a committee consisting of two-third of non-officials and one-third officials to hear the grievances of retrenched officers under the retrenchment schemes.

Sir George Schuster said if the legislature interfered with the details of every day administration it would land itself in a most embarrassing position. Some hardships were inevitable when the Government was carrying out a comprehensive scheme of retrenchment. It would be inappropriate for an outside body to review the cases of retrenchment. No satisfactory result would be achieved.

The amendment which was accepted by the mover of the resolution was rejected by the House.

SYSTEM OF EDUCATION

Dr. Ziauddin moved for the appointment of a committee to suggest suitable modifications to the existing system of education in regard to policy and administration, general plan of studies and examinations and the most economic method of spending public funds for education. While confessing that he had not come quite prepared for an exhaustive speech he wished to ascertain the policy of the Government because he felt convinced that money, if not properly utilised, would be frittered away on buildings and useless channels. He complained that there was not enough technical education in Indian institutions.

Mr. Brij Kishore moved an amendment urging a conference of educational authorities instead of committees. He wanted further that the recommendations of this conference should be circulated for opinion.

Mr. Jagannath Agarwal welcomed *Sir Henry Gidney's* suggestion that Europeans should make common cause with the nationals of India. The amount spent on the Chiefs' Colleges was a mere waste.

Mr. A. Das wanted the recasting of the educational curriculum so as to give a national touch to education and supported the amendment.

Sir Frank Noyce exhaustively quoted from the *Sadler and Hartog Committees'* reports on both of which only very little action had been taken. The local Governments had full power to do what they liked in each province. But the difficulty was finance. Both reports had given enough evidence to show where the defects in the existing system were apparent and how they could be remedied. One of the important recommendations of the *Hartog Committee* was the resuscitation of the central advisory board of education. Upon this the Government of India circularised the local Governments for opinions which had been received from all except one. When the replies were complete the Government of India, provided by then the finances permitted, proposed to constitute a board which would consist of 23 persons with the educational commissioner with the Government of India as chairman, ten representatives of the provincial Governments who would ordinarily be directors of public instruction, nine non-official representatives from the provinces and three nominees of the Government of India. This would be a more practicable, economical and far more efficient means of removing the defects and reorganising the educational system than appointing committees whose reports might be forgotten amid the political disturbances and other distractions.

The resolution and amendment were rejected without division and the Assembly adjourned.

THE PARTNERSHIP BILL

17th. FEBRUARY:—The Assembly discussed to-day only official bills. *Sir Lancelot Graham* moved for the consideration of the Partnership Bill. He declared that the Government had put all their cards on the table and it was clear

there were advantages and disadvantages in registration which all could see and act accordingly. He, therefore, resented the baseless attack of Dewan Bahadur Harbilas Sarda the other day that the Government action was mean, despicable and a subterfuge.

The House agreed to the Law Secretary's motion without dissent.

Detailed consideration of the clauses was then taken up and the Law Member and the Law Secretary accepted the amendment of Mr. Rangachariar relating to the minors who are admitted to the benefits of partnership. He wished to remove the injustice on a minor of making him a compulsory partner whether he was aware or not and proposed to throw the burden on the minor to prove that he had no knowledge of partnership.

Considerable debate and a sharp difference of opinion, however, followed on another amendment of Mr. Rangachariar which proposed that when partnership be terminated due notice should not be considered as the only form of intimating to others dealing with the firm such termination of partnership but that knowledge otherwise of such termination of partnership be also taken into consideration. Leading lawyer members of the House participated.

Sir R. L. Mitter, Law Member, held that the proposed amendment was unnecessary and would only introduce an element of litigation which the Bill proposed to eliminate.

Sir Abdur Rahim, Sir Hari Singh Gour and Mr. Jagannath Agarwal supported Mr. Rangachariar.

After some more speeches the amendment was rejected by 59 votes to 16. The House rose for lunch.

After lunch an hour and a quarter was spent in discussing further amendments moved by Mr. S. C. Jog and Dewan Bahadur Harbilas Sarda, all of which were rejected without a division. The Partnership Bill was then passed.

WORKMEN'S COMPENSATION ACT AMEND. BILL

Sir Joseph Bhore introduced a Bill amending the Workmen's Compensation Act and the recommendations of the Royal Commission thereon. The House then adjourned.

NON-OFFICIAL BILLS

18th. FEBRUARY :—The Assembly met to-day to discuss non-official bills only. The following non-official bills were introduced :—Sir Hari Singh Gour's bill to amend the Income-Tax Act. Mr. G. P. Singh's bill to provide for protection of the names 'Khaddar' and 'Khadi' used as trade descriptions of cloth spun and woven by hand in India, Mr. Jadhav's bill to reserve the coastal traffic of India to Indian vessels, Mr. Shanmukham Chetty's bill to remove the disabilities affecting the untouchable castes of the Hindu community and his bill to prevent the dedication of women to service in Hindu temples in British India. The former bill of Mr. Chetty was opposed by Raja Bahadur G. Krishnamachariar before its introduction. Sir Hari Singh Gour introduced a bill to amend the Hindu law of inheritance. Mr. Bhupat Singh introduced a bill to amend the Child Marriage Restraint Act and bills for amending the same Act were also introduced by Haji Wajihuddin and Raja Bahadur Krishnamachariar. Sardar Sant Singh introduced bills to amend the Indian Registration Act and the Indian Limitation Act. Seth Abdulla Haroon introduced a bill to amend the law relating to private trusts and trustees and Raja Bahadur Krishnamachariar introduced a bill to repeal the Special Marriage (Amendment) Act 1923.

DISSOLUTION OF HINDU MARRIAGES

The House next took up the motion of Sir Hari Singh Gour for reference to a select committee of his bill relating to the dissolution of Hindu marriages.

When Raja Krishnamachariar rose to oppose it, Sir Hari Singh Gour said he would be prepared to accept a motion for circulation of the bill.

Mr. Jadhav was surprised at some members quoting Judge Lindsay's observations which were not applicable to India. The speaker whole-heartedly supported the bill and asked the Government to remain neutral so that members could decide whether the measure was necessary or not. He quoted largely from the Shastras in support of the bill.

Mr. Yamin Khan said that as a Muslim he would remain neutral, but he thought it a duty to express his opinion. There was no case made out by the opponents of the bill that it interfered with the Hindu religion, but to some extent it certainly interfered with Hindu customs. It was but fair that girls must be allowed some

discretion in choosing their husbands in order to avoid injustice at the hands of selfish parents. At the same time he supported the circulation motion of Mr. Sitarajaram Raju as it was for women to express an opinion whether they wanted this measure or not.

Before further debate the President drew attention to the dilatory motions on the agenda and said that as Mr. Raju's circulation motion which had already been moved was itself a dilatory motion the Chair did not propose to allow another motion which was for adjourning the debate *sine die*.

Bhai Permanand said he believed in social reform and wanted that marriage customs should be rebuilt with a view to reconstruct the Hindu social structure. But man being a social animal, he must recognise the limitations on his freedom in society. Hindu society had not yet recognised the necessity of widow remarriages. Such a society would certainly oppose the very idea of divorce. Divorce, if allowed, would destroy the framework of Hindu society.

When the Assembly met after lunch there were only 21 members present and though the bell was rung twice the quorum was not forthcoming and the President adjourned the House till the 22nd.

BILL TO FOSTER WIRE NAIL INDUSTRY

22nd. FEBRUARY :—The Assembly met to-day to transact official business. *Sir George Rainy* moved the consideration of the bill to foster wire and wire nail industry as reported by the select committee.

Mr. B. Das, the only member of the committee who appended a minute of dissent, opposed the motion reiterating in detail the objections contained in his minute. He said the time had come when the Government should specify obligations resting on those companies which got protection because he found that here was one individual concern which would be getting a monopoly at the expense of the consumer without a definite certainty that the raw material necessary for the production of wire nail would be available in India. He wanted to know whether the Indian steel wire products which would obtain a monopoly under the bill would at all compete with foreign import and why the cost of production was so high in India. He quoted from the Tariff Board's report to explain the view that the recommendations were based on mere speculations and there were no serious efforts made to see India self-supporting in the matter of production of wire and wire nails.

Haji Abdulla Haroon of Karachi thought that the factory recently established in Karachi would not survive if the necessary protection were not given. He hoped the same basis of protection would be given to wire and wire nail industry as was given to the Tata Company.

Opposition to the bill was voiced by *Mr. Tail*, European member from Burma. Agreeing largely with *Mr. B. Das*, he further pointed out that Burma would have to contribute one-fourth extra revenue under the bill. He described the Tariff Board's report as inadequate and deprecated any attempt to ignore the interests of Burma and concede protection to a small one-man concern in India which was capable of turning out only two thousand tons per annum while the annual consumption in India was 22,000.

A strong support to the bill next came from *Diwan Bahadur T. Rangachari* who, declaring himself as a strong believer in protection, asked *Mr. Das* not to ignore the larger interests of the Indian industries while considering the taxpayers' interests. He refused to be a mere consumer for ever and wanted India to be an industrial country capable of producing even for consumption abroad. It was a standing disgrace that the Government of India should have allowed this country to be a mere consumers' country and now that they are awakened to the necessity of protecting the industries in India, the Assembly's duty should be one of support so that industries would expand and the youth of India would find fresh avenues for honourable employment.

Mr. Shanmukham Chetty, who presided over the select committee, gave his whole-hearted support to the bill, while welcoming the advice of caution from *Mr. Das*. As for *Mr. Tail's* observations, *Mr. Chetty* remarked that so long as Burma was an integral part of India she could not escape a share of the burden imposed in the wider interests of the country as a whole. In 1924 the Tariff Board had found a case made out for the protection of wire and wire nail industry provided

the Tatas undertook to supply wire and wire rods. Subsequently, the Tatas could not supply the required quantity. The bill now proposed was not a protection so much for wire and wire nail industry as an attempt to create a situation for the development of that industry. The Tariff Board's report has convincingly established the need for protection.

Sir George Rainy, replying to the debate, said the question hardly arose regarding the present case. He told Mr. Tait that under the maritime convention they could not give different rates of duty at different ports. As for Mr. Heathcote's observations, the Commerce Member said the bill could not be repealed if the industry failed to instal a plant and manufacture from indigenous material. What the Government could do was to recommend the suspension of protective duty. But the Government, as recommended by the committee, would watch the progress of the bill in the direction desired.

The bill was then taken for consideration, clause by clause, and passed without any change. An amendment of Mr. Bhupat Singh suggesting the imposition of protective duty from Sept. 1 was withdrawn after hearing Mr. Chetty and others that the only effect of such an interval in giving protection would be to allow the foreign manufacturers to dump their goods into India in the interval.

WORKMEN'S COMPENSATION BILL

Sir Joseph Bhoré next moved for the circulation of the Bill further to amend the Workmen's Compensation Act of 1932.

He said the Bill aimed at a number of small and important changes, such as, compensation to widow sisters and daughters of workers, reduction of the time limit from ten days to seven, etc. In undertaking labour legislation, the Government had to be very careful. There were undue criticisms of the Government policy being too slow on the one hand and too rapid on the other. But as far as the Government was concerned, the welfare of the workers had been their primary obligation. Otherwise it would be in danger of losing the moral justification for its existence. The Government steadily adhered to the principles chalked out by the Labour Commission, which were a valuable guide. The conditions in Indian social and industrial spheres were different from other countries. Hence the need for a steady and careful policy on the part of the Government to avoid any resultant evils and dangers that had resulted in many countries. He hoped the bill would bring forward practical and suggestive criticisms from interested quarters.

Mr. N. M. Joshi criticised the Government for being too slow in giving effect to many recommendations of the Labour Commission and from the progress made since the publication of the report he thought it would not give effect ever to the most important ones for many years to come. The Labour Commission was appointed very late as a compliment to the growth of Commission in India. He wanted the Government against too gradual evolution which made revolution possible.

As for the measure before the House, he did not see why there should be any distinction of treatment between workers in various fields of employment. He wanted the Government to adopt a bolder policy of widening the application of the Compensation Act to all kinds of workmen, including agriculturists and private motor car owners. He suggested that the programme of state insurance be made compulsory so as to provide against all risks. He thought the application of compensation should be extended even to factories employing less than 50 men. Concluding, he appealed for increased rates of compensation.

Mr. B. Das and Mr. Gunjal also supported the motion, which was adopted.

IMPORT DUTIES ON GALVANISED IRON AND STEEL

Sir George Rainy moved that the present increased import duties on galvanised iron and steel pipes and sheets be imposed till March 31, 1934, said that the duties should not be reduced unless the Government is satisfied that the circumstances have changed so radically as to render the maintenance of the duties at the increased rates clearly unnecessary and undesirable.

He informed the House that the Tatas had given a written undertaking that from next April they would produce 4,000 tons of galvanised sheets per month, which was 40 per cent of the total consumption in India.

Mr. Morgan moved an amendment that in case of iron and steel sheets not fabricated and galvanised the duty should be reduced to Rs. 54.

Sir George Rainy said this would be taking away the present surcharge under the Emergency Finance Act. The House at this stage adjourned.

BAMBOO PAPER INDUSTRY PROTECTION BILL

23rd. FEBRUARY :—The Assembly proceeded to discuss to-day the Bamboo Paper Industry Protection Bill as sent by the Select Committee. *Sir George Rainy* pointed out that all members of the Committee except two and including himself had appended dissenting minutes. He deprecated the tendency to treat the questions of protection as if they were questions concerning particular firms, and not generally a development in industry. He looked forward to the establishment of Indian firms for the manufacture of bamboo paper pulp industry. But in the case of existing firms, it was not right to employ compulsion as regards Indianisation. Speaking as an individual and not as a Government member, he emphasised that firms engaged in industry and receiving protection from legislature to take reasonable measures to comply with the feeling expressed in this House as regards providing facilities for training Indians. He did not think that the proportion of Indians on the directorate was so important as that of training Indians. He affirmed the view taken by the Government that, while conditions as to incorporation and registration with rupee capital and provision of facilities for training Indians could be imposed on new companies, it was not right to impose them on companies already engaged in the industry at a time when the scheme of assistance was approved. He was, therefore, unable to agree that Government should not give any concessions to any particular firms by placing no orders with them.

Mr. B. Das asked the Commerce Member to translate his personal opinion, which was supported by all sections of the House, into a national mandate and incorporate it in the Statute. Where was the question of moral obligation when the question of finance was involved? He wanted not the moral obligation on companies.

Mr. Sitaram Ray quoted from the speech of *Sir Atul Chatterjee* in 1922 and the policy of Government enunciated in 1924 and suspected that there must have been a chance in favour of the existing companies with regard to obligations as to Indianisation. He affirmed that there was no desire on the part of the Assembly to impose any unjust restrictions on the existing companies but demanded that Government should give patronage or concessions only to those who encouraged Indians to receive training.

Mr. R. K. Shanmukham Chetty treated this Bill as regards the policy of protection in the same manner as he treated the Wire and Wire Nails Industry Bill, because their object now was to create conditions for the manufacture of raw material required for paper industry. He was satisfied with the Tariff Board's findings that the quality and price of the paper would be satisfactory and economical with the encouragement given to the industry. He further accepted the findings of the Board in regard to the effect of duty on imported wood pulp in deciding the duty on imported paper, and further that whatever disadvantage might accrue to the paper industry will be the result of the imposition of surcharge on the duty on paper. So no case had been made out for reducing the duty on wood pulp.

Dewan Bahadur T. Rangachariar supported the observations of *Mr. Chetty* and agreed that it was difficult to impose discrimination between the existing firm and the incoming firm. But he could not be satisfied with the lip sympathy offered by *Mr. Morgan* that the industry was fully alive to the sentiments of the House, because the past experience was not helpful here. He, however, urged on the Government to give concessions only to those companies which gave training to Indians. Did not Government give advertisements to one section of newspapers and put the Congress papers on ban? Similarly they could give orders to those paper firms which complied with the conditions as to Indianization.

Mr. S. C. Mitra quoted from the resolution of the All-India Journalists' Association the object of raising the percentage of mechanical wood pulp in printing paper from 65 to 75 per cent which was contrary to the findings of the Tariff Board.

Sir Edgar Wood said that Indianisation was proceeding very rapidly. He stood for Indianisation as far as possible, but the right people were not always to be had either for training or for being on the directorate. He was, however, opposed to Indianisation by force, when *Mr. Das* interrupted: "You are for protection by force."

Mr. Desouza regretted that the companies far from using indigenous materials tried to fill the pockets of their own shareholders with profits by importing large quantities of the wood pulp. He thought that the assurance given by the Government was not quite satisfactory and the Legislature had every right to demand strict compliance.

Sir Cowasjee Jehanngir did not care how many Indians were on the directorate, but insisted that at least 75 per cent should be Indian capital so that the profits of the industry would remain in the country. He demanded an undertaking from every industry which sought protection to the Government to offer training to Indian apprentices in large numbers so that those companies might have efficient Indians. Concluding, the speaker warned the Europeans that the future House which would be different from the present would totally refuse protection unless the conditions now suggested were rigidly accepted and then the Europeans would accept them.

Sir Harising Gour joined issues with *Sir Cowasjee* and pointed out that the attitude of *Sir Edgar Wood* was most deplorable. He had raised the cry of expropriation and had compelled him to intervene. He said that if Europeans took up that attitude then it would only force Indians to report that they were exploiters and as such had no right to citizenship of the State, that they were traders and not citizens and therefore not entitled to fundamental rights. He said that this was not the way to act. The European attitude of "We are here to shake the Pagoda tree and shall not leave any one else to stand beneath it" was unreasonable and unstatesmanlike. He advised them to take time by the forelock as under the impending changes they would have lesser terms than to-day.

Mr. A. Das opposed the Bill and said that two crores of the tax-payers' money had been wasted of which one crore had gone into the pocket of the share-holders who spent only eleven lakhs in developing the industry.

Sir George Rainy replying to the debate said that the Government took their stand on the Tariff Board's report which had satisfied itself that the difficulties that remained were minor. Both the Government and the Board believed that the experimental stage was over and definite results were now wanted. He said that the cost to the taxpayer of protection had been a maximum of eight lakhs as that was the difference between the revenue and the protective duty. He said that the use of bamboo pulp had doubled during the protection period, but agreed that it was proportionate to the increase in the manufacture of paper. He took his stand on the Government policy that it could not compel the existing companies to take Indians. He said that it was business prudence and moral obligation for these firms to do so. He hoped that as a result of the debate there would be a definite change in the mills' attitude, but at a stage when the constitutional question was under discussion the Government could not prejudice the issue.

The House agreed to take the Bill into consideration and adjourned till the next day, the 24th. February, when further discussion of the Bill was taken up clause by clause.

Mr. A. Das moved that protection be limited to four years instead of seven years as the industry had taken to fulfil the purpose for which protection was given. *Mr. Morgan* opposed the amendment and said that any lack of confidence in the measure of protection would prevent capital being invested in new machinery for the purpose of development of the industry which has now passed the stage of experiment and was ripe for development.

Mr. Shanmukham Chetty shared the disappointment expressed by others, but said that the industry was not entirely to blame for lack of progress and both the Government and the House had refused to accept the Tariff Board's proposal for financial help to a company to buy certain type of new machinery for experimental purposes. The proposed protection must be given for seven years.

Sir George Rainy added if protection was given, it must achieve the results aimed. The amendment of *Mr. A. Das* was negatived without division.

Mr. Abdul Matin Chaudhury next moved that newsprint containing 65 per cent of mechanical wood pulp be, as hitherto, exempted from duty and that the proposal to raise it to 70 per cent was contrary to *Sir George Rainy's* own proposal as President of the Tariff Board and would certainly injure the newspaper profession especially as he quoted the most divergent results from the tests of how much mechanical wood pulp newsprint contained. A margin of error must be kept at least as it is to-day.

Mr. Shanmukham Chetty asked the Commerce Member to give an assurance that the newspaper industry would not be affected, and that there would be no extra tax on it. He opposed the amendment and said the purpose was really to prevent the paper being imported on a lower rate which contained less than 65 per cent of mechanical wood pulp, and that the Assembly certainly must prevent it.

Sir George Rainy said that news-print was defined in America and in the recent Import Duty Bill in England as containing 70 per cent of mechanical wood pulp. He gave an assurance that instructions would be issued to allow newsprint containing above 65 per cent of mechanical wood pulp on lower duty, but that any paper containing a proportion less than 65 would be rigidly asked a higher duty save in exceptional cases. This, he maintained, was a better method of ensuring the purpose of the legislature.

The amendment of *Mr. Abdul Matin Chaudhury* was negatived by 53 against 28 votes.

Before the Assembly adjourned for lunch the House passed the Bamboo Paper Protection Bill without division or a dissentient voice, but *Dewan Bahadur T. Rangachariar*, *Mr. L. N. Misra* and *B. Das* uttered notes of warning to the industry to "behave well" and not to come again for protection at the end of seven years. They urged that the industry should, in the meanwhile, use indigenous bamboo pulp and help Indianisation by giving training to Indians in increasingly large numbers.

Mr. B. Das reiterated *Mr. Rangachariar's* warning and suggested that by 1939 the House would be a great democratic body, and so the industry must be careful.

Mr. Morgan, on behalf of the industry assured, amidst cheers, that the training of Indians would be proceeded with as rapidly as possible, and that the industry would not shirk any enquiries as to the rapidity or manner in which this assurance would be fulfilled.

Sir George Rainy thought that the House would welcome the assurance of *Mr. Morgan* and said that the Government of India would institute an enquiry at the end of about 10 months.

PROTECTION OF STEEL PIPES

After lunch the question of protection for galvanised iron and steel pipes and sheets came up. This was partly discussed on the 22nd instant on the resolution of *Sir George Rainy*, who on behalf of Government recommended the continuance of protection for two years together with a suggestion that this protective duty should not be reduced in the meantime, unless the Government was satisfied that circumstances have so changed as to render the maintenance of duties at increased rates clearly unnecessary and undesirable".

To this motion, there was an amendment by *Mr. Morgan* reducing the amount to Rs. 54. The Tariff Board had recommended Rs. 67 per ton whereas *Mr. Morgan* suggested Rs. 13 less.

Mf. Shanmukham Chetty said that he found himself in a dilemma. Last year the Commerce Member had spoken approvingly of the bounty system. Yet this year Government was raising import duties. There was no disagreement on the question of giving assistance to the industry but why should Government impose a burden on the consumer beyond the needs of the industry? Already as the result of the last duty there was reduced use of galvanised sheets in India in 1930-31. While the total consumption in India was 90,000 ton of galvanised sheets the *Tatas'* actual output was 33,000 tons. So for giving protection to the extent of 11 lakhs the country was being asked to bear an additional burden of 33 lakhs. But judging the present selling price of the *Tatas*, the amendment of *Mr. Morgan* to reducing the duty to Rs. 54 could not be supported. As for the overhead charges, *Mr. Chetty* quoted the figures showing a reduction of Europeans on the management from 125 to 84. The amendment of *Mr. Morgan* was lost without division.

Mr. B. Das then moved an amendment for giving protection not for two years but for only one year, so that next year at this time the Assembly might ascertain to what extent Indianisation had been made up.

Sir George Rainy accepted the amendment which was carried.

Mr. Amarnath Dutt moved an amendment that before the end of March this year the *Tatas* should give an undertaking that they would produce the whole

requirements of India or allow subsidiary companies financed by Indian money to do so. He regarded the amendment as innocent and appealed to Sir George Rainy to accept it.

Sir George Rainy opposing the amendment said that it was not possible for Tatas to produce the entire requirements of India, nor would capital be available for subsidiary companies.

The amendment was rejected. The resolution of the Government as amended giving protection for one year instead of two was then passed.

WORKING HOURS IN COAL MINES

Sir J. Bhore moved a resolution that the Government having considered the Draft Convention limiting the hours of work in coal mines adopted at the fifteenth session of the International Labour Conference recommends that they should examine the possibility of reducing the statutory limits for hours of work in mines in India and place the results before the Assembly. The Government of India's attitude regarding the Convention which applied to European countries was for sometime of benevolent neutrality, but the question of hours of employment in coal mines was examined by the Royal Commission on Labour and a Select Committee of the Assembly in 1928. The resolution would permit of examination of these reports.

Mr. Joshi by an amendment urged that the results of examination should be placed before the Simla session.

Mr. Abdul Matin Choudhury welcomed the change in Government attitude.

Sir J. Bhore opposed the amendment and said that nothing would be gained by hurrying with the examination. He promised not to allow delay.

Mr. Joshi's amendment was negatived and *Sir J. Bhore's* resolution was carried. The House at this stage adjourned.

The Railway Budget 1932-33

25th. FEBRUARY:—Introducing the Railway Budget for 1932-33 in the Assembly to-day, the Railway Member in the course of his speech said :—

It is once more my duty to present to the Assembly the Railway Budget estimate for the coming year. On this occasion no change has been made in the form of the papers to be placed in the hands of honourable members of sufficient importance to require separate notice. In the preparation of the budget I have, as always, received the greatest assistance from the Chief Commissioner, the Financial Commissioner and the members and staff of the Railway Board. A special word of thanks is also due to the members of the Standing Committee on Railway Finance for the help they have given us throughout the year.

I have no doubt that, as on former occasions, honourable members when giving notice of motions for reductions in the demands will indicate briefly the questions they wish to raise. The advantages of this practice are so obvious that I need not dilate upon them.

FINANCIAL RESULTS OF 1930-31

The anticipations we formed a year ago as to the financial results of the working of the railways in 1930-31 were very nearly fulfilled. We expected that the loss on all the railways, both commercial and strategic, would be 5¼ crores, and that it would be necessary to withdraw nearly 11 crores from the reserve in order to pay the contribution to general revenues. The actual sum taken from the reserve exceeded the estimate by only 6 lakhs, but it is fair to add that the working expenses were nearly a crore above the figure taken in the revised estimates, this excess being underbalanced by an increase in the arrear adjustments with the depreciation fund.

REVISED ESTIMATE FOR 1931-32

If my estimate of the financial results of 1930-31 proved to be very near the mark, the case is far otherwise with the current year. We budgetted for a heavy reduction of expenditure as a result of the economy measures which railway administrations had already started, and here our expectations have been more than fulfilled, for our working expenses are likely to be less by nearly 3 crores than the budget figure. But this result, satisfactory in itself, is far more than counterbalanced by a substantial decline in our earnings. The figures I shall give in order

to explain the position are those for the commercial lines, for the loss on the strategic railways at 2 crores is very close to our estimate, and it was unnecessary to refer to them further.

When I presented the budget estimates for the current year to the House, I anticipated an improvement in the gross traffic receipts of about 6 crores. Of this sum, 2 crores was expected to accrue from minor alterations in rates and fares and for the rest it was assumed that the latter part of the year would show some improvement in traffic. As honourable members are no doubt aware from the statement of traffic earnings which we publish weekly, our hope that the cold weather of 1931-32 would be marked by an upward tendency in trade and some relief of the prevailing economic depression has not been fulfilled. I had always believed that a change for the better might begin towards the end of September, but although that month was certainly marked by changes of a somewhat startling character—changes which may contain within them the seeds of a real trade improvement in the future—I fear it cannot be said that they have as yet resulted in any appreciable advantage to the railway revenues. Instead of being about 6 crores higher than the previous year, our net traffic earnings are lower by more than 8 crores. Both goods earnings and passenger earnings have fallen off by about 8½ per cent, and every class of traffic has been affected. It is evident that both the severity and the duration of the economic crisis through which the world is passing were under-estimated a year ago and that I was over-sanguine in anticipating that the current year would find us already on the up grade.

The position, as disclosed in the revised estimates, compares with the budget figures as follows: We placed the total receipts at 101 crores and the total charges at nearly 98 crores, leaving a surplus for the year of 3 crores. Of this latter sum about 2 crores would in any case have been required to meet the loss on the strategic railways and balance of about 1 crore should have been left towards the contribution. It was recognised, therefore, that the reserves would have to be drawn upon to the extent of 4 crores in order to pay the contribution. Actually, our total receipts are now estimated at 86½ crores and our total charges at 94 crores, so that instead of a surplus there is a deficit of 7½ crores. This figure is raised to 9½ crores by the loss on the strategic railways, and it becomes necessary to exhaust the balance of the reserve fund, not in order to pay a contribution to the general revenues but to meet a part of the deficit. The amount in the reserve fund does not exceed 5 crores, and, in order to balance the accounts, the only expedient open to us is a temporary loan of 4½ crores from the depreciation fund. In effect this means that after paying our obligatory interest charges, the balance remaining falls short by this amount of the full allotment for depreciation.

For the year 1932-33 we estimate that our total receipts will be 88½-4 crores and the total charges 94¼ crores. The loss on the commercial lines is therefore 5½ crores, and to this must be added the loss on the strategic railways of 2 crores, the total deficit for the year being 7½ crores. As there is now no balance in the reserve fund, the whole of this sum has to be made good by a temporary loan from the depreciation fund. I ought to mention at this point that, by a change in accounting methods, both the earnings and the expenditure are higher by about 1¼ crores than they would have been under the system previously followed. This fact should be remembered when any comparison is made with the figures of the previous year.

Our estimate of earnings is based on the assumption that the volume of traffic will be about the same as it has been during 1931-32. The enhancements of rates and fares that have been introduced this year by particular railways and the general surcharge on coal freights should increase our earnings by about 1 crore, and it is only to this extent that we expect any improvement in our revenues. Both in 1930-31 and in 1931-32 our estimate of receipts proved unduly optimistic, and on this occasion we have felt it necessary to take a conservative figure. To attempt to estimate the earnings of any commercial system under the world conditions which now prevail is largely a matter of guess work, but while on the one hand I can see definite reason for thinking that during the next twelve months the volume of business will show much expansion, on the other hand there is equally little reason for anticipating any further marked deterioration. In these circumstances, it is hardly possible to do otherwise than to take the current level of earnings as the basis of our estimate.

If allowance is made for the accounting change to which I have already referred, our working expenses next year are expected to be nearly 2 crores lower than in

this year. Out of this sum $1\frac{1}{4}$ crores is due to the emergency cut in pay, which will be in force for the whole year instead of for part of the year only. The balance is not far short of 50 lakhs, but account must also be taken of an automatic increase of 25 lakhs in the amount required for depreciation, and an increase in fuel charges by 37 lakhs owing to the surcharge on coal freight. When allowance is made for both these factors, the reduction in working expenses, apart from the cut in pay, is raised to about 1 crore. If this result is achieved, the position will not, I think, be unsatisfactory. It is to be remembered that by the end of the current year 400 miles of new lines will have been opened, and there is also an automatic increase in expenditure caused by the annual increments earned by the staff. These are items which raise our costs whether we will or not, and they have to be set off against the reductions in items fully under our control. But I should like to make it plain that while we have not considered it safe to anticipate a larger reduction in expenditure as compared with the present year, there is no intention that the economy campaign should be relaxed in the slightest degree. Only the most rigid control of expenditure and insistence on economy, wherever economies are possible, can ultimately restore full solvency to the railways, and every effort will be used to bring about this result.

CAPITAL PROGRAMME

The activities of the railways on the capital side have been subjected to as close a restriction as on the revenue side. The financial circumstances of the time are such as to leave us no option, and the programme of new works has been ruthlessly pruned. The total sum provided is only $9\frac{1}{2}$ crores, of which the major portion is debitable to the depreciation fund. To cut down our development work to this extent is only possible by limiting the sums allotted for new construction to one crore, which will enable us very nearly to complete all the lines now under construction. By the end of next year the Sagaing bridge over the Irrawaddy will be the only unfinished item, and it will be very near completion, as the sum required for it in the following year is only 13 lakhs. So far as open line works are concerned, the only works for which any large provision has been made are the rebuilding and strengthening of certain important bridges where the work could not be postponed any longer consistently with the safety of the public. By the end of next year therefore the capital expenditure to which Government stands committed will be reduced to a very low figure, and capital expenditure can be limited strictly in accordance with the financial exigencies of the time.

FINANCIAL POSITION OF RAILWAYS

This brings me to the end of my review of the figures included in the revised estimates for the current year and the budget estimates for 1932-33, and I have deliberately made my survey of the figures as concise as possible. It has been customary in the latter part of the budget speech to enlarge on one or other of the more important aspects of railway policy. On this occasion it will perhaps be better to keep more closely to the financial position of the railways, and to examine from a broader point of view what this position is. There is the more reason for adopting this course, because a policy of retrenchment necessarily curtails and limits any attempt to pursue an active policy of development and improvement in any direction, and for the moment many of our plans are at a standstill. It is a matter of particular regret to myself that our schemes for improving the conditions of service of our lower paid staff have been grievously retarded, but indeed the slowing up has been general and felt in all departments.

TWO POINTS OF VIEW

From the year 1922-23 up to the year 1929-30 the commercial lines had a surplus in every year and were able to make substantial contributions in aid of general revenues. In the three years from 1930-31 onwards, however, there are deficits, ascertained or estimated, amounting to $7\frac{1}{2}$ and $5\frac{1}{2}$ crores. These deficits can be viewed from one or other of two different points of view. In one aspect what in effect they mean is that the full amount which ought to be allocated to the depreciation fund cannot be provided owing to insufficiency of earnings. This does not mean that the railways have been unable to meet out of revenue the sums actually in each year in the replacement of assets, but that they have failed to provide the full sum required to be set aside if the future is to be safeguarded, and our ability

ensured to meet fully our accumulated revenues all sums required for replacement in the future. It is not an uncommon practice for commercial concerns to regulate their actual allocations to depreciation in any particular year not on theoretical grounds but on the basis of the actual results of the year's working. The mere fact therefore that our railways have not been able for three years in succession to meet out of current earnings the depreciation charges in full is not in itself an argument against their ultimate solvency, provided always there is a reasonable prospect that the unfavourable conditions will gradually pass away, so that the losses incurred in lean years may be made good in the more prosperous years which follow.

The other way of viewing the position is this. Ordinarily, a company railway in any country in the world would have raised part of the capital invested in the line by means of prior charges such as debentures, and another part in the form of ordinary shares. I will not complicate the comparison by referring to preference shares which might be held to fall in the one class or the other according as the dividend was cumulative or non-cumulative. When trade is depressed and railway earnings decrease, it becomes impossible to maintain the same distributions out of the balance remaining after the working expenses have been covered. In that case, the ordinary dividends would first be sacrificed, the provision for depreciation would come next, and the prior charges last of all, because failure to meet them would be an act of insolvency. A State-managed railway, however, is usually in a different position, and certainly this is true of the Indian Railways. The whole of the capital has been raised in the form of what is equivalent to debentures, for the ordinary share capital of the company-managed lines is a negligible proportion of the total. It is true, therefore, to say that, before any allocation can be made for depreciation, interest has to be paid in full on the whole of the capital invested in the undertaking. The point to which I draw attention is this that so far as the commercial lines are concerned, if only one-fourth of the capital investment were in the form of ordinary shares instead of in the form of fixed interest-bearing securities, it would be possible in each case of the three deficit years, to meet the depreciation charges in full by means of a reduction in, or the total suspension of, the ordinary dividend. When gloomy views are sometimes expressed as to the solvency of the Indian railways, it is important, I think, to bear this aspect of the case in mind. What we have to face, even when the country is passing through the severest economic crisis which the world has yet seen, is no worse than that which an ordinary commercial undertaking has to grapple with, when all obligatory expenditure can be met in full but dividends on the ordinary shares cannot be paid.

I may be asked, however, what about the contributions to general views? The obligation imposed on the railways by the Separation Convention to pay an annual contribution amounting to 1 per cent. of the capital at charge—subject to minor variations in amount according to the financial results of each year—can be viewed as a measure of taxation imposed on the railways, or as being in the nature of an additional distribution of profits which the taxpayer, who is, I take it, the ordinary shareholder of the undertaking, may fairly claim to receive in addition to the recoupment of the interest he himself has to pay on the money invested in the concern. I am not interested at the moment to consider which of these two views is the more accurate one, but whichever view is adopted, it is clear that when trade is suffering from acute depression, it may be impossible either to realise a tax on railway revenues or to earn any additional distribution of the nature of a dividend or bonus. This has always been recognised, and for this reason the Separation Convention provided for the accumulation of a reserve fund out of the profits of the good years, so that when the lean years came, the contribution would have been collected in advance. Three years ago when the balance in the reserve fund amounted to about 18½ crores it seemed that a sufficient fund had been accumulated to tide the railways over even a series of 3 or 4 years of bad trade. But what we have had to face during the last two years, and must continue to face in the year, is something much more serious than an ordinary trade depression, namely, a catastrophic decline in prices accompanied by the greatest slump in trade which the world has yet seen. It is impossible for the railways of India, or for any other commercial undertaking, to plan its financial organisation on security against conditions of this kind. Such emergencies have to be faced as they arise, and measures taken to meet the immediate exigencies of moment. They cannot be planned out in advance.

RATES AND FARES

On the revenue side we have endeavoured to alleviate our difficulties by making certain increases in rates and fares, where it seemed likely that by this means additional income could be obtained. The increases made have been mainly in connection with coaching traffic, including both passenger fares and parcel rates, but about six weeks ago a surcharge of 15 per cent was imposed on coal freights apart from shipment and bunker coal, and this is by far the most important change in goods rates. I refer especially to this increase, because I should have been most unwilling to agree to it, had the financial position of the railways been less serious than it is. I have long held the view that it is in the interests of the railways to keep coal freights at the lowest level commercially possible, because cheap coal is essential to industrial development, and industrial development means increased traffic for the railways. But on this occasion circumstances left no alternative. It could not be doubted that a higher charge, to the extent imposed, could in fact be realised without diminishing traffic, and even with the addition made, our coal freights still remain at a very low level.

In my budget speech last year I explained my view that no solution of our difficulties was to be found in any general increase in the level of freights and fares, and all that has occurred since then has strengthened the conviction which I then formed. Conditions being what they are, and the root cause of all our difficulties being the lack of purchasing power of the community as a whole any general increase in freights and fares would defeat its own object. The subject which has engaged my own attention during the last year has been rather the converse question whether we might not secure increased revenue from a reduction in freights on certain commodities owing to the expansion in the volume of traffic which might follow. In particular, in accordance with the undertaking which I gave in my budget speech last year, the question of cotton freights was specially examined last autumn and was discussed with the Agents of the lines principally concerned. But I have not yet been able to satisfy myself that a freight reduction in any class of agricultural produce could be effected without a substantial loss of earnings, and as things stand to-day, such a loss could not be faced. The sole experiment we have made in this direction, namely, the reduction in the wheat freight to Karachi which was made in July last, was not so successful as to encourage us to undertake further experiments of the same kind. Owing to changes which took place shortly afterwards in the level of prices within and outside India, the export of wheat became impossible, and no increase in the volume of traffic followed, but merely a diversion of trade within India from one route to another involving an appreciable loss of revenue to the railways.

COTTON FREIGHTS

The question of cotton freights, as I have already said, received special attention, and had prices remained at the level which they touched at the beginning of September last, there was great reason to apprehend that the existing level of freights could not be maintained, since it was becoming doubtful whether, without a reduction, the crop would move. The departure from the gold standard, however, in that month brought about an immediate rise in cotton prices, and this tendency became subsequently still more accentuated owing to an unexpected shortage in the cotton crop, especially in the Central Provinces and Berar. With prices as they now stand, Government are satisfied that there is no danger that the cotton crop will not move, and no adequate grounds have been established for the reduction in freight. The general question, however, is one which requires constant and close observation, and I have personally drawn the attention of the Agents of the principal lines to the necessity of seeing that the matter is not overlooked.

RETRENCHMENT

Throughout the year the one subject on which the time and energies of every one connected with the Railway department have been concentrated has been Retrenchment. Into the details of the subject I will not enter now, for hon. members will find full particulars of the action taken in order to bring down expenditure in the Railway Board's memorandum, and in the special memorandum which has been prepared to show the action taken on the report of the Retrenchment Sub-Committee, and no doubt I shall have opportunities of dealing with the subject when the cuts are moved. In the main, cost have been reduced not by any specta-

cular curtailment of activities, but by the aggregation of an immense number of small economies in every branch of the administration. This is an aspect of the case to which I drew special attention last year, and I need not dilate upon it again. I should like, however, to take this opportunity of acknowledging the very valuable services of the Railway Retrenchment Sub-committee and to express my appreciation of the assistance we have obtained from their recommendations. To a very large extent we have found it possible to take action on the lines suggested, and where we have found it impossible to go quite so far as the Committee wished we have given their views the most careful consideration before departing from them.

APPOINTMENT OF AN EXPERT COMMITTEE

One of the recommendations of the Sub-Committee was the appointment of an expert committee to go further into the question. That was a recommendation which I welcomed, for I am convinced that the railways of India have everything to gain and nothing to lose from a review of their practices and methods by experts with railway experience in other countries. We took all steps possible to bring about the constitution of such a committee which would visit India during the current cold weather. We were disappointed, however, to find that the services of the experts whom we hoped to obtain could not be secured, and we were driven to the conclusion that the appointment of the committee must be postponed. The object aimed at in the appointment of such a committee is of course something much more far-reaching than the mere enforcement of economy in the ordinary sense, for it may involve very considerable reorganisation of methods, and for this purpose it is necessary that the qualifications of the members should be of the highest kind. It is my earnest hope that it will be possible to arrange for the appointment of such a committee next cold weather, so that our methods of working may be reviewed by those who can speak with authority and from their knowledge of what is done elsewhere.

The question may be asked—what is to be the future financial position of the Indian Railways and how are they to emerge from the very difficult position in which they now stand? These are questions with far-reaching implications and easier to ask than to answer, but one thing at least is certain, that since the crisis was brought about not by any circumstances peculiar to India but by economic conditions extending over the world, a permanent solution of the problem can be achieved only on a worldwide scale. The various countries in the world are now so closely knit together that conditions in any one country have immediate and far-reaching effects on all other countries. It would take me far beyond my proper sphere to enter into any analysis of the world conditions to which I have referred, but this perhaps may be said that, if the statesmen of the world fail to find a solution of the difficulties with which they are faced, the financial position of the Indian railways is merely one very small item in a long list of commercial undertakings of all sorts whose very existence will be threatened.

General Discussion of Railway Budget

29th. FEBRUARY :—The Assembly met to-day for the general discussion of the railway budget.

Dr. Ziauddin Ahmed, speaking first on the railway budget, referred to capital expenditure, and said that sufficient control was not exercised in the matter of construction of electric power houses at Kalyan railway station and at Cawnpore and Lucknow. The result was that the expenditure had during the last few years increased enormously. As for the working expenses regarding establishment, *Dr. Ziauddin* complained that Indians were being retrenched more than Europeans and drew attention to the fact that on the E. I. Railway alone gazzetted officers had actually increased by nine during last year. He also complained of duplication of work by the organisation of divisional inspectors, and said that the interests of Muslims deserved to be better looked after.

Sir Hugh Cocke said the Assembly must share the responsibility in the matter of capital expenditure like that on the Kalyan power house and also in regard to the construction of new lines. The rate of capital expenditure, however, had slowed down since last year. Alluding to the competition of motor traffic with railways, *Sir Hugh Cocke* thought that there must be greater co-ordination between the two

forms of transport, and in fact there must be one Minister for all communications. He also suggested that, instead of developing feeder lines, the Government should spend on making new roads. Concluding, he paid a tribute to Sir George Rainy for his services to India. (Cheers).

Mr. Shanmukham Chetty, surveying the figures of the last few years, alluded to the certainty that railway revenue in the next few years would never go above Rs. 95 crores, which was also the observation of the railway retrenchment committee (over which he presided). He further analysed the figures, particularly interest charges, etc., and said that the problem of the future would be how to make good a deficit of Rs. 10 crores per annum. Therefore, a thorough overhauling of the methods of railway working had been recommended by the retrenchment committee. Mr. Chetty referred to the motor traffic competition and said amidst murmurs of dissent that it was very unwise for the Government to allow motor traffic in India on roads parallel to railways. In India, unlike in England, the state was the owner of railway property, and in this country of long distances there were only 40,000 miles of railway lines. While there was a need for motor traffic to enable quick transport, it was very unwise of the Government to allow this to directly compete with railways. The Indian taxpayers owned the entire railway property and their interests would be affected if motor traffic was allowed to grow on roads directly parallel to railway lines. He, therefore, suggested greater co-ordination and some provision in the constitution ensuring such co-ordination as otherwise federal provinces might later claim to develop their own traffic which might affect the interests of railways. He joined Sir Hugh Cocke in paying a tribute to Sir George Rainy for his genial courtesy.

Mr. Yamin Khan said that in the midst of world trade depression it was not possible to produce a better railway budget. He opposed an increase in rates and fares as had been suggested by Sir Henry Gidney, but strongly urged a reduction of salaries. In his opinion, more attention should be given to road development in order to encourage motor traffic.

Mr. Sitarama Raju asked the Government why they appointed retrenchment committees and spent enormous amounts on them while they did not want to supply them with full facts and give effect to their recommendations. Abnormal sums had been spent after the separation of audit and accounts, which was unjustified. The speaker stoutly opposed the creation of a statutory Railway Board. The Railway Board expenditure had not been reduced and the number of members had also not been reduced as yet in accordance with the Chetty Committee's report.

Mr. B. Das paid glowing tributes to Sir George Rainy who was an official from his province—Bihar and Orissa. He thought it was time when the loss on the strategic lines which were mainly kept for military purposes should not be merged into the general railway earnings. He did not agree with Mr. Chetty that experts should be brought only from England and the Dominions and wanted them also from foreign countries like America, Germany, etc. Dealing with finances Mr. Das held that the Government themselves were responsible for the fall in railway earnings because it was they who created the political disorder which created insecurity in the minds of the people. People had also no money on account of the fall in prices. If the world trade depression was responsible for the loss in the earnings it was only about 25 per cent. whereas this political turmoil brought a loss of 75 per cent.

Mr. C. S. Ranga Iyer thought that in such a big country as India 40,000 miles of railways were not sufficient and must be enormously increased. He suggested a better control of roads which were now in the hands of the provincial Governments so that there might be no misunderstanding. He pointed out many cases where wrong estimates were presented, but they actually ended in over-expenditure. He did not agree with Mr. Sykes in comparing the wages of agriculturists and the lowest paid railwaymen as the railwaymen were entrusted with more responsible duties and actually the lives of many hundreds of people every day remained in their hands. It was but fair they should be paid more. Finally, the speaker congratulated the Commerce Member on his ability in explaining the Government position to the Opposition but only he disagreed with his budget calculations.

Bhai Parmanand bitterly complained of preferment in the railway services. While conceding 25 per cent. posts for Mahomedans he objected to their asking for more on the railways which were an all-India concern. He described the Muslims'

demands as 'irrational and antinational' and said there could be no graver injustice than that a person of the minority community should get preference not on grounds of merit but merely because he was a Muslim. In this connection he quoted figures from Mr. K. M. Hassan's report to show that in the North-West Railway there were already nearly 50 per cent. of appointments in the hands of Mahomedans and said there was no reason for them to grumble. If in the G. I. P. Railway Mahomedans were less it was because Anglo-Indians and Christians were larger in number than their population proportion justified.

Sir George Rainy winding up the debate referred to the suggestion of *Sir Hugh Cocke* and *Mr. Shunmukham Chetty* for a greater co-ordination between railways and motor transport and that the whole question of transport should be treated as a single problem. While not claiming to be an expert on this question he thought the course of events suggested itself that before long the necessity for co-ordination would be forced upon them and that some provision should be made in the constitutional structure so as to ensure co-ordination as desired.

Proceeding *Sir George Rainy* said that he could offer no hope to *Sir Henry Gidney* for raising the rates and fares although he wished he could raise them. Referring to *Mr. Ghuznavi's* attack on the Chief Mining Engineer, *Sir George Rainy* said it was very unfair of *Mr. Ghuznavi* from his privileged seat in the Assembly to have revived certain incidents of seven years ago when nothing had been heard in the public all these years and made that kind of violent attack. The Railway Member amid cheers declared that there was no foundation whatever for the statement or insinuation that the Chief Mining Engineer and his assistant between themselves decided as to which firm should get a tender irrespective of quality. Concluding the Railway Member thanked the members for the courtesy shown to him and felt gratified to learn that his service was appreciated (Cheers). The Assembly then adjourned.

Voting on Railway Grants

1st. MARCH:—The voting on Railway demand for grants commenced to-day when *Sir George Rainy* moved the demand for grant in respect of expenditure required for the Railway Board.

Mr. Bhupat Singh moved that the Railway Board grant be reduced to one rupee and treated it as a refusal to vote supplies on the ground that the railways were being run inefficiently as shown by the deficits and that the proportion of high European railway officials was very high, while the real backbone were the subordinate services. He was supported by a number of speakers.

Sir George Rainy said that there was not a single railway administration in the world to-day which was not being run on a deficit. He gave figures of losses from other countries. He admitted that the subordinate services were the backbone of railways, but he added that because the backbone was there there was no justification for refusing supply to the brain. (Laughter.)

The cut was negatived.

MUSLIM REPRESENTATION IN RAILWAYS

Mr. Maswood Ahmed moved a cut of Rs. 100 to urge the representation of Muslims in the railway services. He recalled *Mr. A. M. Hayman's* promise of using his driving force and energy last year to improve matters. The result, he said, was that the Muslim percentage had increased by only 0.52 per cent. in the railway gazetted ranks and 0.27 per cent. in the subordinate services, while it had gone down by 11 per cent. in the lower services, during the year. He put in a claim for Muslims on the population basis, and while he was reading his speech giving statistics after statistics of the total number of gazetted officials and subordinate officials and the Muslim proportion, several nationalist members interrupted: 'What about the Anglo-Indian, European and Christian numbers?'

Mr. Maswood Ahmed.—That you may find out. I have no time to lose in mentioning them.

Finally, *Mr. Maswood Ahmed* maintained that Muslims were as efficient as others and hoped that the crowning act of *Sir George Rainy's* brilliant regime would

be the issue of a circular doing justice to Muslims. It was not enough to appoint another committee, which, he heard, was being talked about, but they should act immediately.

Mr. Amarnath Dutt said that the Hindus were divided among anti-Hindus, pro-Muslim Hindus and indifferent Hindus. He personally had no objection to Muslims getting their fair share, but speaking from his experience in Bengal he asked the Muslims to equip themselves more educationally. He held that the Government could not be accused of being partial to any community. The present proportion of various communities was due to the exigencies of the case. It was no use flattering the Commerce and Railway Members as Mr. Maswood had done.

Sir Abdur Rahim said that the question was of political significance and had no Hindu-Muslim or communal colour. He instanced the case of the non-Brahmin movement whose birth he saw and whose efforts and organization has succeeded in winning them better representation in the State services where these had hitherto been the monopoly of Brahmins. Apart from the railway services he alluded to the fact that in the entire Government of India secretariat there were only two Muslim juniors from Bengal. The fault for this lay with the Muslim members from Bengal. He emphasised that efficiency must be upheld but informed Mr. Amarnath Dutt that quite a large supply of competent Muslim youths was available in Bengal. Moreover, he said that if appointments were offered to Muslims in Bengal that would itself provide a stimulus to the spread of education among the Muslims in that province. The Muslims had a fair share in uneducated railway labour but the discrepancy occurred only in respect of educated labour. He pleaded that a machinery be devised to keep a constant touch with the railway administrative authorities to see that this question was solved. No hard and fast rules should be laid down.

Mr. A. M. Hayman, replying to the criticism, said that there was no basis for the charge that the Government had been slack to carry out its promises. It had done its best in the past three years. He said that the proportion of Muslims in the State-managed railways had grown from 28.02 in 1929 to 28.5 in 1930 and 28.6 in 1931. He said that these figures had a special significance in that the period covered included retrenchment when crores of expenditure had to be reduced with inevitable effect on establishments which consumed eight annas in every rupee of expenditure. The Railway Board gave a lead to the railway administrations that the discharge of railway employees must be so conducted that the communal proportion of Muslims was not lowered. When it was remembered that the Muslims generally were junior and according to the normal procedure would have been the first sufferers the fact that their proportion had not decreased but somewhat increased showed that the promises had been energetically fulfilled.

Mr. Maswood Ahmed briefly replied the debate and withdrew the motion after which the House adjourned.

CONVENIENCE TO TRAVELLING PUBLIC

*2nd. MARCH :—*The House resumed to-day the discussion on the Railway Board grant and *Mr. Maswood Ahmed* moved a token cut of Rs. 100 to urge conveniences to the travelling public. Mr. Ahmed mentioned various directions in which the convenience of passengers could be attended to. He specially urged doubling the line between Cawnpore and Tundla.

Sir George Rainy assured the House that retrenchment did not mean that there would be less facilities for the travelling public. He had already forwarded to the Agents the suggestions made by the central advisory council. He agreed with a previous speaker's remark that cordial relations between the railway staff and the travelling public would be promoted wherever the superior staff set an example.

When the cut was put to the vote the Opposition party did not want a division, but Mr. Maswood Ahmed pressed it. The Nationalists remained neutral and the cut was defeated by 42 to 33 votes.

RETRENCHMENT POLICY

Mr. Maswood Ahmed moved a token cut to discuss the Railway retrenchment policy. He complained that Muslims had suffered most in the economy campaign. He urged the retirement of senior men and hoped that the Government would not cry a halt in their campaign for economy on railways.

Mr. Hayman and Sir George Rainy spoke on behalf of the Government. When the motion was first put there was a general desire that the motion be withdrawn but Mr. Maswood Ahmed pressed it. When, however, it was put for a second time Mr. Maswood Ahmed himself kept silent as also all non-official members. There was, however, one member who said 'aycs'. Thereupon the Assembly divided with the result that the motion was defeated by 17 against 51 votes, the Nationalists and Independents remaining neutral.

During the debate Sir Henry Gidney referred to the press report that there was a proposal to make a further retrenchment of 10,000 hands. Sir George Rainy promptly denied this report. Sir Henry Gidney proceeding said that there was a grave under-current of restlessness on the part of employees owing to the feeling of disparity of treatment regarding retrenchment between lower sub-ordinates and officers.

Mr. Hayman in a lengthy speech explained the action taken by the Railway Board since the beginning of 1930 when revenues began to fall. The method was to reduce the working expenses with the least hardship to the employees. He refrained from dealing with those questions which were before the Railway Court of Enquiry. He emphasised that the discharges were made on three grounds. Firstly, least efficiency; secondly, short service and, thirdly, those who had approached the superannuation age. In all cases where there was evidence that individual men had not been properly treated the Railway Board promptly took the matter and secured justice. He further assured amidst applause that when the Court of Enquiry reported and if there were any cases of injustice to individuals in State railways the Board would unhesitatingly see that justice was done. He quoted figures of retrenchments on various railways totalling 40,502 of which the largest figures were in the E. I. Railway, 11,700; N. W. Railway, 9,300 and G. I. P. Railway, 8,800. Officials were as much affected by retrenchment as subordinates. In fact the former suffered more. Concluding, Mr. Hayman struck a personal note and said that as one who rose from the lowest ranks he always attached greater importance to the interests of the subordinate staff.

Mr. B. Das criticised the Government for not having allowed the Retrenchment Committee to go into administrative details. He wanted that the railways should be self-supporting and contribute uniformly to the general revenues reserve and depreciation funds. But he did not want these by increasing the rates and fares as Sir Henry Gidney had suggested and which, if adopted, would prove to be the last straw on the camel's back adding to the difficulties already existing in connection with the civil disobedience movement.

FAVOURITISM ON RAILWAYS

The motion next moved was by Mr. Maswood Ahmed regarding favouritism on railways. He made a very brief speech. He was prepared to withdraw the cut motion but the House refused permission and rejected it without division. The Assembly then adjourned.

CONTROL OVER COMPANY-MANAGED RAILWAYS

3rd. MARCH:—Mr. Anwarul Azim moved a token cut of Rs. 100 to raise the question of lack of supervision and control over company-managed railways.

He said that the Railway Board's instructions regarding communal recruitment were not observed by company-managed railways and they were extravagant. The Assam-Bengal Railways was proposing to spend a lakh of rupees on officers' and staff quarters at a time of financial stress.

Sir Alan Parsons, replying, assured the House that the power enjoyed by the Government of India over company-managed railways was entirely adequate to safeguard the Government's financial interests. He assured Mr. Anwarul Azim that the Government did not accept the suggestion of the A. B. Railway for officer's quarters, which showed incidentally the extent of their control. He promised to forward to the Agents of the B. N. Railway and the S. I. Railway, respectively, the legitimate requests made by Messrs. Misra, B. Das and De Souza for representation of their communities in the services and on the local advisory committees. As regards the selection committee proposal, this was in the mind of the Railway Board, and he hoped that such committees would also free the House of constant communal claims.

The motion was withdrawn.

CONSTITUTIONAL ASPECT OF RAILWAYS

Mr. Ranga Iyer moved a token cut of Rs. 100 to raise the question of the Railway Board in regard to the constitutional aspect. He spoke over an hour and read a number of extracts from Sir William Acworth and General Hammond's books. He said that a confidential circular published by an Indian newspaper of Calcutta showed that Mr. Benthall had on behalf of the Europeans declared that so far as possible railways and ports must be removed from political control. The subject was one on which the Assembly should express a view, now that the Round Table Conference was considering the issue.

He laid down the principle that the legislature must retain control over policy and capital expenditure but that the railways must be treated as a business proposition and must not be left either at the mercy of the railway bureaucracy or made the playground for caucuses and coteries of politicians. There must be no political interference in day to day administration, like that sometimes practised in the House. He discussed the system prevalent in various parts of the Empire and preferred the French system under which the Supreme Council for Railways exercised control and the state had a hand in determining the policy. Such a council must have representatives of the legislature, of business and other interests.

Sir Henry Gidney said that Mr. Ranga Iyer had enunciated sound principles but had also practised mental somersaults. For instance, how could Mr. Ranga Iyer reconcile control over expenditure with the theory that there should be no control over day to day administration. Sir Henry outlined his scheme for railway administration but emphasised that all would depend on 'when is policy and not to policy', to enable them to know where the legislature's control must end.

Mr. Joshi argued that railways must not be treated as a commercial proposition but as a national service and any Railway Board must have the representation of third class passengers, labourers and other interests. He entirely opposed Parliamentary legislation to set up a statutory Railway Board. "The Indian railways belong to India and if any board is to be created, it must be by an Act of the Indian Legislature."

Mr. Shanmukham Chetty said the Government of India's despatch on reforms had announced principles to which none could object and the despatch had also suggested a detailed consideration of the subject by a commission or committee. That was the right track. But why had nothing been done in this direction so far? He asked the members of the Round Table Conference whether there was any discussion on the subject at the Conference.

Sir Henry Gidney—None.

Mr. Chetty—Yet we find the Federal Structure Committee mentioning about a statutory board in its report. There was General Hammond, appointed not by the Round Table Conference, but by the Secretary of State (laughter) to report on the subject. 'I do not know this gentleman's credentials.'

Mr. B. Das—Mr. Ranga Iyer has called him an expert.

But he admits in his report that he has no experience of Indian Railways. (Opposition Applause.)

Mr. Chetty contested Mr. Joshi's propositions and said railways must be primarily treated as commercial propositions, but emphasised that as interest on railway loans was on the security of the revenues of India, it would be to the interests of the Finance Minister to see that the railways were not run at a loss and that financial embarrassment by such loss should be avoided.

Continuing Mr. Chetty said that the solution of railway matters could not be entrusted to members of the Consultative Committee, for though they may be experts in other subjects, they are not experts on railway finance. The Government have failed considerably to carry out their intentions as regards rates. The Railway Board had no policy except to charge what traffic would bear.

Mr. D. K. Lahiri Chaudhury asked how Mr. Chetty who was the protagonist of a State reserve bank had now become enamoured of railway experts.

Mr. Jagannath Agarwal said Mr. Ranga Iyer had found more allies on the Government side than on the Opposition, for making the Railway Board even a greater expert body than it now was. His suspicion grew into alarm, when he

found Sir Henry Gidney become a strange bedfellow with Mr. Ranga Iyer. There was every reason for Sir Henry Gidney's attitude, because he wanted for thirty years, Anglo-Indians and domiciled Europeans to retain 50 to 20 per cent. of all railway appointments in the upper grades which they held at present and for that reason Sir Henry Gidney naturally wanted a statutory board and preferred company management. But how could Mr. Ranga Iyer not be aware of a development which had been hatched secretly and introduced surreptitiously at the Round Table Conference for a Statutory Railway Board? Hardly had the talk begun of the people of India taking the burden of government than people of other countries had started devising means of lightening the burden not only in railway but in postal and telegraph and other spheres.

4th. MARCH :—Resuming the debate to-day *Sir Abdur Rahim* said : 'May I ask what is left for the legislature to have control on the policy of railways, when every important question of policy is thus to be taken out of the legislature's purview? Why should it be said in respect of railways alone that the legislature must not interfere with the day-to-day administration? Why should railways be placed on a pedestal higher than the Government of India itself? Do you mean to say that this Assembly is expected to criticise the daily administration of any department? Why this discrimination in the case of railways? The object is apparent. It is to remove railways entirely out of the control of the legislature.'

He referred next to the discussion on the subject by the Consultative Committee and said the communique issued on the subject left them in the dark about vital matters. There are members and members in every assembly and everybody is not in the public interest. We should know who are the members who hold one view in the Consultative Committee and who the other and what reasons they advance. We find on every important issue the Consultative Committee says the question should be referred to his Majesty's Government for decision. We know that his Majesty's Government has to decide them, but then why waste time and money on these committees?

The speaker next referred to the statement of Mr. Zafarullah Khan that until a communal settlement was announced they could not take part in the proceedings. Sir Abdur Rahim criticised this attitude because what was bad for the whole of India was bad for 72 million Muslims (applause), and just as what was bad for 72 million Muslims was bad for the whole of India. (Mr. K. Ahmad : 'Not always, sir'.)

The speaker was at this stage interrupted by Mr. Ghuznavi and Sir A. Suhrawardy, who declared that Sir Abdur Rahim was not speaking for the Muslim community. Sir Abdur Rahim reported that he had as much right to express what he considered was for the good of his community as any one else.

Mr. Shafee Daudi recalled that the mandate to the R. T. C. Muslim delegation was not to discuss central responsibility without a previous communal settlement.

Sir Abdur Rahim said he had heard a rumour that Mr. Shafee Daudi had once tendered his resignation. He maintained that Muslim members should have taken an effective part in those discussions.

Sir Hari Singh Gour, leader of the Nationalists, expressed an apprehension that a strenuous attempt was being made to create a body which would be independent of the control of the Indian legislature. What was the use, he asked, of treating as evergreen the out of date despatch of the Government of India on reforms? He could understand the object of some Europeans and Anglo-Indians because they wanted to reserve the lion's share of loaves and fishes which they had hitherto been enjoying. Proceeding, he quoted figures of all State railways showing that of those whose salary was above Rs. 150, Hindus were 26 per cent or one-third of what they were entitled on the population basis, Muslims were 6 per cent or one-fourth of what they were entitled, Anglo-Indians 30 per cent or 30 times of what they were entitled and Europeans 25 times on the population basis. He objected to this inequality and asked why this inequality should be perpetuated.

Sir Hari Singh Gour proceeding asked : 'It is too much to expect that the future Parliament of this country should be left to decide as to what should be the proportionate representation in the public services of the country? If the recommendations of the Government of India are followed by that of General Hammond and of the Consultative Committee which would be translated into an Act of Parlia-

ment you will be sowing the seed of that discontent against which any constitution will afford no relief'.

Continuing Sir Hari Singh Gour read passages from a communique of the Consultative Committee regarding the discussions on the Statutory Board and said that the members of the committee had signally failed to do their duty. (Applause.) He affirmed that whatever may be the difference of opinion between the communities in India they were all united that the Government of this country in the next constitution should be an autonomous Government and not a subordinate in any respect of the British Parliament.

Concluding Sir Hari Singh Gour made it clear that the Railway Board could not be permitted to become a body independent of the control of the elected members of the legislature and that the House was against any curtailment of its powers and privileges and would refuse to accept a position which did not correspond to that which obtained in self-governing Dominions.

Mr. K. C. Neogy said that he had developed a general attitude of indifference because the House was not taken seriously either by the Government or by the people, and the authority of the House had passed over to the Viceroy's House. He referred to Sir Hugh Cocks's agreement with Mr. Ranga Iyer and mentioned that nowhere had Mr. Ranga Iyer said that there should be statutory railway board or that it should be established by parliamentary legislation.

Mr. Neogy gave the House the history of how this subject came before the Round Table Conference. He said that when it appeared in the report of the Federal Structure Committee Mr. Sastri, Mr. Jayakar, Mr. Jinnah and Sardar Ujjal Singh protested that they had held no discussion on it. Lord Sankey replied that the Maharaja of Bikaner had on more than one occasion spoken about it. The Maharaja of Bikaner at once said: 'I never used the word statutory authority and referred only to the functions the Railway Board is exercising now.' Lord Sankey promised to take note of the protests but the unwanted child still appeared in the report.

Mr. Neogy said that the Brigadier-General's report was dated Aug. 5, 1931, which was long before the 2nd session of the Round Table Conference and yet this report was never supplied to the members of the Round Table Conference and was probably reserved for the more congenial atmosphere of the Viceroy's House. He was glad that the Consultative Committee had disappointed the Government. He next dealt with the question of commercialization and offered to yield to Sir Hugh Cocks if he would declare that the demand for safeguarding the interests of European and Anglo-Indian employees on the railways was based on commercial principles. On the other hand General Hammond had said that the South African Railways had uncommercial principles in that they restricted themselves to costly white labour. As regards the questions of rates and fares the Assembly had always urged the Government to appoint a rates tribunal but that the rates policy must be with the Assembly while the rates structure would be handled by the tribunal. Finally, Mr. Neogy referred to the statements in the House of Commons by Sir Alfred Mond and Earl Winterton showing that the Indian railways' programme was stimulated with a view to relieve unemployment in England and recalled Sir Charles Innes' speech at the last Empire Economic Conference. 'The truth is that when Sir Edgar Wood and Sir Hugh Cocks talk of commercial principle, they wish to retain control to enable the railways of India to be run to the advantage of their own country'.

Sir George Rainy said that he did not intervene earlier because the Government of India's position explained in the despatch to the Secretary of State was known for the last 16 months and since then the Round Table Conference was seized of the subject and so far as the Government members here were concerned the matter was somewhat *sub judice*. As for Mr. Ranga Iyer he had shown preference for the French system and opined that it was important for the economic administration of railways that there should be a separation between the policy on one hand and commercial administration on the other. This point required to be looked into because there was the danger of pressure being brought to bear on the railways from the legislature. It was not because politicians were bad people that their influence on commercial management was to be deprecated but because they were placed in a position in which they could not but at certain times do things which would be to the detriment of efficiency and economy. However, the Railway Member was glad that the discussion had enabled the Government to know the viewpoint of the members. Concluding, he said that as envisaged in the Government of India's despatch there

would be an expert enquiry into the details of the plan which the Round Table Conference Committee drew up.

Mr. Ranga Iyer confessed that the debate had taken a turn different from that he had in mind. He had not thought of a statutory railway board. However, that subject had come in, but surprisingly *Mr. Jagannath Agarwal* had suggested that in this matter he had joined hands with *Sir Henry Gidney*. If *Sir Henry Gidney's* advice was followed the railways would be completely in the hands of *Sir Henry Gidney* himself. He was glad that there would be a detailed enquiry which was exactly what *Mr. Chetty* and *Mr. Mody* had suggested. He did not agree with *Sir Hugh Cocke* that the railways should be what ports were now. Concluding, he took the opportunity of paying a tribute to *Sir George Rainy* as a gentleman.

The cut motion was withdrawn.

INDIANISATION OF SUPERIOR SERVICES

Mr. Ranga Iyer next moved a token cut to urge the Indianisation of the superior services by company railways.

Mr. Hayman pointed out that the proportion of 75 per cent recruitment had been already attained. Among the company-managed railways the South Indian Railway had attained that proportion. As for the rest their proportion had risen in 1930-31 to 61.5 per cent. The railway Board was pursuing the matter and was showing a practical way to the company-managed railways to achieve the required results such as transfer to company lines of surplus apprentices now under training for the State railways.

Mr. Hayman had not concluded when the guillotine was applied and, therefore, all railway demands were granted and the House adjourned till 7th. March.

Financial Statement for 1932--33.

7th. MARCH:—Introducing the Budget proposals for 1932-33, in the Assembly to-day *Sir George Shuster* said :—

I rise to present the Budget for 1932-33 in circumstances which are somewhat unusual. The House is already familiar—almost painfully familiar—with the main features of the present financial situation and a special occasion has already been taken to ask for the supplies which six months ago we considered to be necessary in order to carry us safely through next year. As His Excellency the Governor-General has already announced we do not propose to ask the House at the present stage to approve any extensions or modifications of the plan for raising revenue which we put forward last September. A Budget speech must therefore lack much of the interest which normally attaches to it. Nevertheless a very important part of the financial business still remains to be performed—the voting of the actual grants for expenditure—while the occasion is an appropriate one for attempting a general review of the financial position. I should indeed be failing in my duty if I did not utilise this occasion to the full—for on the occasion of the emergency session it was impossible to put forward really accurate estimates of expenditure or to deal fully with a most important part of Government finance—the Ways and Means position.

I must therefore ask Honourable Members to bear with me at some length on the present occasion, even though my speech may lack the interests—real even if painful—of an occasion for proposing new taxation.

STAGGERING FALL IN EXPORTS AND IMPORTS

I shall not attempt any exhaustive review of economic conditions, but a picture for the current year can be drawn in a few lines. Generally speaking, the monsoon was favourable, and India has had quite a normal year as regards agricultural production. Yet her exports and imports have fallen in value to a bare half of what they were two years ago. Exports of merchandise for the first 10 months of the current year amounted in value to Rs. 134½ crores as against Rs. 265 crores for the first 10 months of 1929-30, while the value of merchandise imported has fallen from 201 to about 105 crores. These are staggering figures, and indicate the extent to which our present difficulties are due to world conditions. The most

striking falls in exports for the period mentioned are in Jute and Jute products which have fallen from Rs. 69 crores to Rs. 28½, and raw cotton which has fallen from just under 51 crores to 20½, while, as regards imports, the most notable cases are cotton manufactures which have fallen from 49.67 to 15.86 crores, and sugar which has fallen from 13.8 to 4.9 crores.

Nevertheless, in spite of this enormous fall in the volume of trade, our favourable trade balance, if movements of Treasury are included, for the first 10 months of this year, is Rs. 71 crores as compared with Rs. 43 crores for 1929-30. Here is the significance of the export of gold.

As an indication of our higher rates of taxation I may remind the House that this year we have collected for the 10 months about Rs. 29 crores of import duties on Rs. 105 crores of imports, as compared with about Rs. 33 crores of duties on Rs. 201 crores of imports for 1929-30.

DEFICIT OVER 11 CRORES

I will deal very briefly with last year's accounts. The actual results have shown a substantial improvement on the revised estimates which I gave last year. Revenue proved actually Rs. 84 lakhs larger than I expected and expenditure Rs. 26 lakhs less, so that the total result was Rs. 1,10 lakhs better—the actual deficit being Rs. 11.58 crores instead of Rs. 12.68 as anticipated.

Turning now to the position for the current year, and the prospects for next year, I need not remind Honourable Members of the circumstances in which we were forced during last September to undertake 'interim' measures to fortify our budgetary position. According to our estimates at that time we should, on the existing basis of taxation, have had to face deficits of over 19 crores in each of the years 1931-32 and 1932-33. We hope by our new measures of retrenchment and taxation to reduce the deficit for the current year to Rs. 10.17 crores and for next year—when the effects of retrenchment would be fully felt and with the new rates of taxation applicable for a whole year—to realise a surplus of Rs. 5.23 lakhs.

But I emphasised in presenting the estimates in September that they could not, in the extremely uncertain circumstances then prevailing, be regarded as more than guesses, and that we looked to the estimated surplus for next year mainly as a reserve margin against this uncertainty. The actual Customs returns for the months since last September have made it necessary for us to revise our estimates.

As a result we now allow for a deterioration in the figures by about 3 crores for each year, and we anticipate that the current year will close with a deficit of 13.66 crores and that the surplus for 1932-33 will be Rs. 2.15 crores. This surplus of 2.15 crores, based as it is on severely reduced estimates of revenue, we regard as providing a reasonable margin of safety.

I would remind the House also of another consideration. For this year and next year combined we are providing from Revenue no less than 13.71 crores for Reduction or Avoidance of Debt. This of course in no way represents recurrent expenditure. Moreover in our case a provision for writing off our debt is a measure of a specially conservative nature, seeing that practically the whole of our debt is covered by productive undertakings which themselves make adequate financial provision against depreciation of the value of their capital assets. The matter may therefore be looked at in this way. If we combine the results for this year and next year our estimates show a net deficit of 11.51 crores. But as this is arrived at after providing 13.71 crores for Reduction of Debt, our recurrent receipts for the two years will exceed our recurrent expenditure by 2.20 crores.

If this result is achieved over two years of unexampled depression when practically every Government in the world is having to show very heavy deficits, we may, I think, justifiably regard the Indian financial position as comparatively sound.

ANALYSIS OF PRESENT ESTIMATES

The broad picture may be presented as follows. So far as gross revenue and expenditure are concerned :—

	(In crores of Rupees).	Revenue.	Expenditure.
The results for 1930-31 are		124.60	136.18
Our Budget Estimate for 1931-32 was		134.87	134.86
Our Revised Estimate for 1931-32 is		120.77	134.43
Our Budget Estimate for 1932-33 is		129.96	127.81

I must, while giving these figures, remind the House that as they include gross interest payments and the counter-balancing receipts from commercial departments, they do not show the true picture as regards reduction in administrative expenditure.

I will now explain the position more fully as regards the main heads of Revenue and Expenditure.

LESS REVENUE, DESPITE INCREASED TAXATION

	Lakhs.
Customs.—The actual revenue (less refunds) for 1930-31 was	46.81
The Budget Estimate for 1931-32 was	56.46
The Revised Estimate for 1931-32 is	46.23
The Budget Estimate for 1932-33 is	52.31

The Budget estimate for next year is thus 4.15 lakhs less than the current budget estimate in spite of the fact that the increased and new duties imposed by the Supplementary Finance Act were expected to bring in additional revenue of 9½ crores.

The main deterioration as compared with the current budget occurs under the heads of sugar, silver, cotton, piecegoods and liquors. These require special mention.

The decrease in imports of sugar has been the most important single factor in upsetting our estimates.

LESS REVENUE FROM SILVER AND PIECE-GOODS

Silver, again, is an important factor in the decrease. For 1930-31 the duty actually collected was Rs. 2.33 lakhs, but for next year with the increased duty we are not counting on more than Rs. 1.60 lakhs. The former represented imports of 111 million ounces and next year's estimates only allow for 34 million ounces.

Apart from sugar or silver another most disappointing head has been cotton piecegoods. Here as compared with the 1931-32 Budget we are down in the current year by 1.96 lakhs and next year by 1.86 lakhs. Again, in the case of liquors, we have had to reduce our estimate for the current year by 79 lakhs, as compared with the Budget estimate for 1931-32.

RESULTS FROM NEW IMPORT DUTIES

It may be interesting at this point to add some comments on the operation of the new customs duties imposed in the Emergency Finance Bill of last September.

IMPORT DUTY ON MACHINERY

The new duty of 10 per cent, on machinery produced for the four months to end of January 1932 Rs. 35 lakhs and is estimated to produce up to March 31st a total of 49 lakhs, and for 1932-33 Rs. 1.00 lakhs. This compares with the estimates furnished in September of Rs. 52 lakhs for the current year and Rs. 1.03 lakhs for next year. On the current year's results it is, therefore, making a satisfactory showing in comparison with our estimates.

IMPORT DUTY ON RAW COTTON

As regards the new import duty of ½ anna per pound on raw cotton, we have had to be more cautious in our present estimates and to reduce substantially the figures from those anticipated at the time of the Emergency Finance Bill. Here we are now only counting on Rs. 10 lakhs for the current year and Rs. 23 lakhs for next year compared with our original estimates of Rs. 43 lakhs and Rs. 87 lakhs respectively. Our reduced figures are based on estimates of imports of about 22,800 tons in the last 6 months of the current year (making a total for the year of about 72,000 tons) and of about 46,000 tons for next year. The need for caution in estimating was brought out by the fact that imports in the first three months after the duty was imposed fell to 6,5000 tons as against 10,600 tons in the corresponding period of the previous year. The total quantity imported in the previous year was 58,000 tons. Taking these facts into account together with the shortage of this season's Indian crop and the present activity of the Indian mills, the figures on which we have now based our estimates for next year may be regarded as providing a distinct margin of safety.

As regards the general effects of the duty a precise estimate is difficult just now owing to the presence of a number of abnormal complicating factors.

WISDOM OF COTTON DUTY

Conditions in the world's cotton market have been abnormal, and this may equally be said of local conditions in India, as there has been a shortage of production owing to unfavourable weather conditions, with a resultant rise in prices for grades which are primarily exported and not affected by the import duty. Expert opinion, however, agrees that the imposition of the duty has been responsible for a definite improvement in the prices paid for staple cotton. The shortage of the Indian crop has been offset by a bumper crop in America, and it seems very probable that had the duty not been imposed American cotton would have been imported at cheap rates to the detriment of Indian agricultural interests. It is fortuitous circumstances of this kind that have been mainly responsible in the past for large imports of American or Egyptian cotton, where these have taken place; while it seems unlikely that the steady demand from Bombay for East Africans will be seriously dislocated by the duty. It is, of course, too soon to trace the effect of the duty on the actual development of the production of staple cotton in India, but I am confident that all interests concerned will soon realise that the import duty will do much to accelerate this desirable development. The general conclusion is that the effects of this duty have been definitely favourable to Indian interests.

TAXES ON INCOME

	Lakhs.
The actual revenue (less refunds and share of provincial Governments) for 1930-31 was	16.00
The Budget estimate for 1931-32 was	17.44
The Revised estimate for 1931-32 is	17.30
The Budget estimate for 1932-33 is	18.73

SALT REVENUE.

The actual revenue (less refunds) for 1930-31 was	6.83
The Budget estimate for 1931-32 was	7.05
The Revised estimate for 1931-32 is	8.48
The Budget estimate for 1932-33 is	9.43

COMMERCIAL DEPARTMENTS.

The actual net revenue for 1931-32 was	4.03
The Budget estimate for 1931-32 was	3.93
The Revised estimate for 1931-32 is	-1.39
The Budget estimate for 1932-33 is	-19

Honourable Members are already familiar with the position as regards the Railway Budget. We do not expect any contribution from Railways either in the current year or the next.

As regards Posts and Telegraphs, the loss in the working of the Department in the coming year, after allowing for the full effect of the retrenchment and taxation measures, is now expected to be about Rs. 16 lakhs.

SUMMARY OF REVENUE ESTIMATES

To sum up, the Budget for 1932-33 under the heads of Tax Revenue from Commercial Departments, Opium Revenue and Other Revenue and the Finance headings shows as compared with the current budget :

	In lakhs of Rupees	
	Better +	Worse -
Tax Revenue retained by the Central Government, i.e., excluding the transfer to the Road Fund		-88
Net Revenue from Commercial Departments		-412
Opium Revenue (gross)		-83
Finance headings	+41	
Other revenues		-30
	+41	-622
		5.81

EXPENDITURE ESTIMATES

Summary.—I must now turn to the expenditure side, but before going into details I will summarise the position so as to complete the other side of the picture to the Revenue summary which I have just given.

CIVIL EXPENDITURE.

	Lakhs
The actual Civil expenditure in 1930-31 was	24.93
The Budget estimate for 1931-32 was	23.34
The Revised estimate for 1931-32 is	22.65
The Budget estimate for 1932-33 is	20.65

MILITARY EXPENDITURE

The actual Military expenditure (net) in 1930-31 was	54.30
The Budget estimate for 1931-32 was	52.00
The Revised estimate for 1931-32 is	51.76
The Budget estimate for 1932-33 is	46.74

From these figures it will be seen that total Civil and net Military expenditure in 1932-33 is estimated at 67.39 lakhs, which is 11.84 lakhs less than for 1930-31, and 7.95 lakhs less than the current budget.

To complete any comparison between the Budget for the current year and next year—according to the summary which I have given :

The reduction in net Receipts under the headings of Tax Revenue, Commercial departments, Finance heads, and other receipts is	lakhs 5.81
While the net reduction in Civil and Military expenditure is	7.95
Thus accounting for a net improvement of	2.14
As the surplus in the current year's budget was Rs. 1 lakh, the surplus we are estimating in 1932-33 is	2.15

I will now turn to the second class of expenditure which really represents additional outgoings. Honourable Members may think that in these hard times we ought to have admitted nothing new, but certain items have been absolutely unavoidable.

I will mention the following more important items :—

Rs. 5½ lakhs for the Round Table Conference committees now touring in India.

Rs. 3½ lakhs representing the increased rupee equivalent of our contribution to the League of Nations due mainly to the fall in the gold value of the rupee. This is notable as being practically our only external obligation which has increased owing to this change in our currency.

Rs. 2 lakhs for the All-India Medical Council, and the Calcutta Hygiene Institute.

NORTH-WEST FRONTIER PROVINCE

Before I leave the subject of Civil Expenditure, I must make special reference to one substantial change in the estimates before the House this year. This arises from the change in the constitutional position of the North-West Frontier Province. The position is explained in detail in the Financial Secretary's Statement and for my present purpose I need merely summarise it by saying that a sum amounting to about Rs. 66¼ lakhs drops out from the Government of India receipts, representing the revenue for the area of the new Governor's Province, while on the other side expenditure amounting to about Rs. 1,63½ lakhs is taken over by the Province. The net difference between these two figures is a deficit of about 97¼ lakhs, and as against this our proposal is that the Central Government should give a subvention of one crore to the new Province. It is a subvention on this basis which appears in the demands for grants placed before the Assembly. It has been fixed at a round figure and gives the Province a small margin of about 2¾ lakhs. The subvention is to be operative for three years, or until the new Constitution for India is inaugurated—whichever is the earlier. In either event the position will again be revised.

Hon'ble Members will observe from the form of the Demand for the North-West Frontier Province that we have, therefore, been forced to provide (a) for a certain amount of direct expenditure in the early part of April next, and (b) for virtually handing back to the province the revenue which we may collect during that period.

MILITARY EXPENDITURE

I must now turn to the Army Budget.

Revised Estimate, 1931-32 :—The budget allotment for military expenditure in 1931-32, excluding the special grant for expansion of the Territorial Force was Rs. 51.90 crores. 22 lakhs, representing the proceeds of the emergency cut on the pay of officers has been surrendered, and the revised estimate now stands at 51.68 crores.

The military authorities have conducted their retrenchment campaign on an 18 months' plan, extending over the period from the 1st October, 1931 to the 31st March, 1933. Retrenchment on a large scale necessarily involves the payment of substantial terminal charges and it was an essential part of the military programme to reduce expenditure in the last six months of the current financial year in order that credit might be taken in 1932-33 for the full effect of retrenchment. The military authorities were assisted here by a further fall in prices which will produce a saving of about 17 lakhs. With the help of this windfall His Excellency the Commander-in-Chief has been able, by insisting on general economy in expenditure and by introducing forthwith certain retrenchment measures which bring in immediate savings, to complete successfully the first stage of his programme. Apart from the formal surrender of the 22 lakhs on officers' pay, His Excellency has effected saving sufficient to meet the whole cost of employment of troops in the Burma rebellion and other disturbances (about 30 lakhs) without any additional grant, and to carry forward a sum of 21 lakhs, which should suffice to cover terminal charges payable in 1932-33.

Budget Estimate for 1932-33.—In September last I informed the House that His Excellency the Commander-in-Chief had agreed, as the Army's contribution in the national emergency, to accept a cut of Rs. 5½ crores on his 1931-32 budget. I have now only to say that His Excellency has made good his undertaking in full and that the estimate for the military budget in 1932-33 excluding again the special grant for the Territorial Force, stands at 46.65 crores.

The total reduction, which is raised to 5½ crores to allow for certain unavoidable new items such as the establishment of the Indian Sandhurst, is made up of first, 1.40 crores from cuts in pay, secondly, 3.10 crores from retrenchment measures in recurrent expenditure and thirdly, 1 crore from postponement of progress with the special re-equipment programme.

The Army authorities have throughout made it clear that they have only agreed to postponement in order to help in meeting the present national emergency, and that the permanent cancellation of these measures could not—consistently with maintaining the efficiency of the Army—be effected. His Excellency the Commander-in-Chief has given an assurance that he will not relax his efforts to secure further reductions in recurrent expenditure both by pressing on with measures already accepted, and by developing any further lines that may present themselves, but he has made it clear that he does not see any hope of being able to find economies in normal expenditure, that is to say, economies from measures other than the reduction of fighting troops which raises quite different issues, which can go near to balancing the burden of 1.23 lakhs which would arise from restoring cuts in pay combined with the disappearance of the 65 lakhs of special saving on recurrent expenditure from next year. In support of this he points out that in spite of the intensive examination of all sources of economy both by his own officers and by the Retrenchment Committee, it was only possible to work up to the present reduction of 5½ crores by reducing troops at a saving of 35 lakhs. Further, although provision has been made in the estimates for 1932-33 for some rise in the prices of food grains, as compared with those prevailing in 1931-32, the rates now taken are still far below the recent normal level, and, if prices should rise to be stabilised at something like the 1929 level and this event, though welcome on general grounds, would mean an automatic increase in the military estimates. On these considerations His Excellency wishes it to be made clear that he cannot regard the budget figures of 46.65 crores as representing a new standard level of standing charges, and the normal cost of the Forces at their present strength when the cut in pay is restored must be recognised to be about 43 crores even if the prevailing low prices of grain etc. continue. I have thought it right to let Honourable Members know the conclusions which His Excellency has drawn from the facts of the present situation, and I can only add that the Government will continue to press for all possible efforts to secure further recurrent econo-

mies and that the campaign for retrenchment will not be regarded as finally closed with the achievements of this year.

There are two important points which such an examination reveals, first the effect of recent protective policy on revenue, and secondly, the direction in which reserve powers of taxation to meet emergency can be exercised.

PROTECTIVE EFFECT OF IMPORT DUTIES

I will take these points in order. It is in our import duties that the most significant changes have been made. Among the customs import duties the two largest individual items were until two years ago those on cotton piecegoods and sugar. The recent increases in these duties—which formerly were regarded only as revenue measures—would in any case and apart from any decisions which the Legislature has taken or may shortly take in regard to them, have given to them a highly protective character. It is obvious that as the protective effect increases, their value as revenue producers must diminish.

APOLOGIA FOR TAXING THE MASSES

On the other hand, if we turn to the main articles of consumption by the Indian masses we find a different picture and the increases made in the rates of taxation are likely to provide substantial increases in revenue.

In the case of kerosene, for example, we expect to get in the current year, from excise and import duties combined, Rs. 3.57 lakhs, as compared with an average for 1928-29 to 1930-31 of Rs. 2.71 lakhs. Here, therefore, is a reserve to which we have been able effectively to turn.

Then, salt, again, as regards the enhancement of 25 per cent. in the duty seems to have had no appreciable effect on the consumption, and we are able to anticipate increased revenue in a full year apart from the immediate and temporary gain from the abolition of the salt credit system) of Rs. 1.60 lakhs over and above the normal revenue at the old rate.

I might here also mention two other articles of consumption by the Indian masses the results in regard to which are equally interesting. I refer to betelnuts and spices.

As regards betel nuts, the recent substantial increases in duty do not appear greatly to have affected consumption, for we are relying on a revenue of about Rs. 60 lakhs for the current year and Rs. 63 lakhs next year from this duty, as against a normal revenue before the increase of Rs. 33 lakhs.

A similar result appears in the case of spices. From those items (cloves, nutmegs and pepper) for which separate trade statistics are on record—and they constitute 80 per cent. of the whole—we are able to anticipate a revenue of about Rs. 20 lakhs in the current year and of Rs. 22 lakhs next year, against a normal revenue before the increases in duty of under Rs. 9 lakhs.

ONLY AN ILLUSTRATION

The figures which I have given are, of course, in a sense, only an illustration of well-known principles affecting the yield of taxes on articles of elastic and inelastic demand. But it is interesting to examine how these principles work out in practice. Such an examination of these examples indicates that a Finance Member—who has unfortunately to be hard hearted and exclude all sentiment from his plans and calculations—must be brought to the conclusion that if in times of emergency he needs to raise extra revenue, then his most sure and reliable course is to impose slight increases in the taxes which fall on the masses of the population. A few annas per head from 300 millions is the most effective course, whereas attempts to extract heavy taxation from a limited class seem almost to have reached their limit. This is a conclusion which is not likely to be popular, but all who share in the responsibility for maintaining the financial position of India must face hard facts.

While these facts must be faced, I do not wish to suggest that where increased revenue is sought there should not be a fair and proportionate increase in direct taxation. No critic of the Government could in the face of the recent heavy increases in incometax, complain that this proportion has not been preserved. The increases in rates are well known, and beyond this it is merely necessary to state

the simple fact that in times of great depression we are counting on getting about 18½ crores from incometax as compared with an average of slightly over 16 crores for the five years of comparative prosperity from 1923 to 1928.

BORROWING PROGRAMME 1932-33.

With this reduced provision for Railway Capital expenditure for the Provinces, I estimate that it will be possible to reduce the amount of Treasury Bills held by the public by about 7½ crores from our current resources, and that we shall not have to raise any loans during the year, except for the purpose of meeting or converting maturing loan obligations. As regards the latter, the 6 per cent. sterling bonds 1932-33, which Government have the option to repay on the 15th June 1932, will in any case be repaid. In the estimates which I am now presenting I have treated the funds for this purpose as being provided by corresponding new borrowing in London. But it is quite possible that this will not be necessary. If exchange continues as at present it appears likely that we shall be able to repay these bonds without borrowing in London the necessary funds for the purchase of the sterling required being provided by borrowing in India. As regards rupee loans, I am reckoning that we shall issue a loan of 14½ crores i.e., the amount required to provide for the repayment of the 6 per cent. bonds 1932 falling due on the 1st October 1932. I would add that if the recent improving tendency in the Government securities market continues, it should be possible to raise a larger loan in India on favourable terms and in that case we shall probably take advantage of this opportunity to fund a part of the floating debt and thus reduce this to a greater extent than the 7½ crores which I have, as already explained, allowed for meeting out of current resources.

IN DEFENCE OF EXPANSION OF CURRENCY

I must now make a few general remarks on the currency position with particular reference to the criticisms of the recent expansion which has been appearing in certain sections of the Indian press. If I treat this criticism as worthy of any serious reply I do so mainly because from certain questions which have been asked recently in this House it appears that Honourable Members are anxious to have their minds cleared on the matter. But very briefly what is said amounts to this—that the recent expansion of the currency is not justified by any rise in rupee prices; and that the Government is in effect using the note printing press to meet its own requirements, thereby causing a dangerous inflationary position.

APOLOGIA FOR INFLATION

Now so long as the Government is the currency authority it is simple and obvious for our critics to say that our currency policy is dictated by revenue considerations. But our answer is equally simple and obvious. So long as our exchange is pegged to something external—either gold or, as at present, an external currency, like sterling—we could not follow such a course even if we so desired. We cannot in fact expand or contract currency beyond the actual requirement of the public which uses that currency without the results becoming apparent in our exchange position. If a Government has to expand currency to meet its own needs because its revenue is inadequate and because its credit is so bad that it cannot borrow enough to make ends meet, then its exchange will weaken and collapse. The great improvement which has recently taken place both in our credit and exchange is the most effective answer which I can give to Government's critics. The money market is a shrewd judge. And the money markets of India and the world clearly do not share the views of our critics.

DUAL ROLE

The criticism has in one respect a certain interest, because its very nature points to one feature in the Indian situation which we all admit to be undesirable—namely that the Government is also the currency authority. We have a dual role, and so long as we have this dual role not only will it be easy for our critics to say that our currency policy is dictated by revenue considerations, but we ourselves are put into the unfortunate position that fluctuations in our receipts as currency authority react upon and upset our budgetary position. But let me assure this House that we keep these two roles rigidly distinct, and that we never allow our revenue needs to deflect us from a sound currency policy. Surely our own record—

particularly recently—proves this. In those difficult eighteen months which preceded last September, when our revenue was falling short of our actual outgoings, we did not hesitate to perform our duty as currency authority by drawing off the market that surplus money which had to be withdrawn in order to maintain stability of exchange. We had to raise our floating debt not merely to meet our revenue requirements, but to a far greater extent in order to contract surplus currency. That process reacted most severely on our budgetary position, and made the deterioration in our general financial position appear far greater than was really the case. I had occasion to deal fully with this aspect of the matter last year. To-day the wheel has turned, and the improvement in our position as currency authority is favourably influencing both our general financial position and our budgetary equilibrium. But we are really doing no more than recovering a part of the ground that we lost last year, and we have not created a single pie of currency beyond what the public requires. Let me again remind the House of the figures which I have already given. Our expansion in the current year has provided us with net additional funds of Rs. 35 crores, but our contraction in the two preceding years was Rs. 43½ crores, so that in the three years the Government in performing its duty as currency authority has had to lose resources of Rs. 8½ crores. From the recent improvement the whole country is deriving great benefit and we have done our best, to the extent that we were justified by the exchange position in doing so, to ease the position for commerce and industry by supplying them with the currency that they required and by regulating our Treasury Bill policy in a way which has enabled the bank to reduce its rate from 3 per cent. to 6 per cent. Why should our critics cavil at that?

To those who say that the recent rise in prices has not been sufficient to justify the extent of our expansion I can only answer that the public whose needs we as currency authority have to supply has absorbed the money. There is no evidence either in the Bank's figures or otherwise of an undue surplus. It is not possible to say exactly where the money has gone. Some is undoubtedly required to meet the greater needs of trade with higher rupee prices for commodities. It is clear also that in certain cases currency must now be held where gold was held before. That shows a gratifying confidence in the country's currency. Apart from this I would make two observations. In the first place stocks of currency held in the banks and throughout the country must have been reduced to abnormally low figures by the contraction which we effected up till September, and as a result of the high rates for Treasury Bills which we had to maintain. There was clearly much leeway to be made up. In the second place, in a country with a fully developed money market organisation, contraction and expansion of credit plays a much more important part than contraction and expansion of currency. India is not entirely on a par with a modern Western country in this respect. Except in a few large towns there is no fully developed money market or credit machinery. In the vast areas of the countryside the organisation is still on ancient lines, and the possibilities of variation in the absorption of currency are comparatively large. In the last few months in India there is no evidence of any large expansion of credit, and the whole demand for extra accommodation has fallen on currency. This must be remembered in assessing the situation in India. In any case (whatever our critics say) we can assert with the greatest assurance that the present position is sound. On the other hand, it is quite obvious that the recent improvement in the exchange position and in the demand for currency has been very largely due to the sale and export of gold. If that were to cease, and if there were to be any economic set-back in the world with a renewed fall in gold and rupee prices then we may again have to reverse the present process in order to maintain a sound position. Will our critics in that case shift their ground yet once more and criticise us again from the other side? For the present at least let us hope that such a necessity will not arise, and until it does let us be thankful for small mercies in the welcome improvement which has recently come about.

The reference to the export of gold which I have just made brings me to that another matter on which I must say something because the public mind is so much concerned about it. I would at the outset draw a distinction between the export of gold from private holdings and any loss of gold from our monetary reserves. The distinction is not always kept clear in the public mind. There has of course been no loss of gold from our monetary reserves. On the contrary our holding has largely increased in the current year. Therefore, so far as the backing to our currency is concerned, there has been no weakening of the position.

In the meanwhile the export is giving India favourable trade balance and enabling her people, who are in this way realising a small portion of their reserves, to tide over the present terribly difficult times. India is thereby being saved much of the hardship under which other countries are suffering. Reserves are being drawn upon in hard times and as His Excellency asked of what use is a reserve if it can never be drawn upon.

Those, however, who deplore the present export of gold apparently hold the view that gold is so extraordinarily valuable as a possession that no country which has once acquired it should part with a single ounce of it—particularly not in the present times of economic crisis. And many of them go on to assert that the present Government of India alone of all Governments is allowing this export to take place.

Now, in the first place, to the general argument I think the answer is simple. What is the special and unique quality of gold which justifies the holding of it? Surely its quality as a reserve which on the last report is, according to the present world system, the only ultimate sure method for settling obligations as between one country and another. But if this is accepted, then the necessary implication is that the gold must on occasions be used for this purpose. If it is never to be used it might just as well be at the bottom of the sea.

America, still on gold, is in terrible difficulties, and is straining every effort—as recent announcements show to find a policy which will bring about a rise in the gold prices of commodities, or, in other words, a fall in the value of gold. If she succeeds her present currency system may survive. If she does not, she, too, may be forced off the gold standard. This is no exaggeration of the position. Why, therefore, should the people of India be deprived of the right to exercise their own judgment in this matter and sell their gold? My critics would answer: "Let them do so, but let the Government buy it and use this opportunity to build up reserves for starting a Reserve Bank." But to this there are clear answers. First, "For the Government as currency authority to buy gold now that the currency is divorced from gold would be a pure speculation." Secondly, "The Government could not afford to buy and hold all the gold which is being offered now, for it has its own external obligations to meet." Thirdly, "If currency reserves are required, and if we could afford now to accumulate them, we have already our proper proportion of gold. It is rather external securities that we need to complete an ample margin of reserves." Fourthly, "We are indirectly acquiring sterling securities against the gold exports so far as the proceeds are not required to meet the balance of payments due on private accounts. So far as our financial position permits of it we shall use these securities to increase our currency reserves."

We have given this matter our most constant and careful consideration ever since last October when the process began, and we are absolutely certain that in the present circumstances the best interests of India are being served allowing free movement of gold to continue—that in fact this movement is proving that India's gold resources are an immense reserve of strength, the moderate employment of which is saving her people at present from much suffering, and preserving the balance of payments and the credit of the country as a whole in times when other countries, particularly countries whose economic conditions resemble those of India are sorely stained.

Our critics often speak as though the interests of Government were somehow different to the interest of the country in this matter. There could be no more absurd idea. The difficulties of Government, either as the authority for revenue and expenditure, or as currency authority, react on the public and 'vice-versa.' What are signs at present? We are free from hampering measures of exchange control; exchange is strong; our credit improved; we have reduced our external obligations and strengthened our reserves, thereby saving the taxpayer interest charges, and improving the chances for raising fresh capital when this is needed for the development of the country; the bank rate has come down from 8 to 6 per cent., and, as a result, all who are engaged in trade and industry have obtained great relief; while, as another result, Government securities are rising, a fact which in its turn is improving the position of all banks and investors. If anyone fails to see benefit to the public in all these signs he must be blind indeed.

GENERAL CONCLUSION

On a broad review I think we may feel satisfied with the position. We can face next year with a prospect of a fairly substantial surplus, while even though the

current year is closing with a nominal deficit, if we take into account the provision which we are making from revenue for reducing our debts, we can actually reckon on a surplus of receipts over expenditure for the two years combined.

I have dwelt on world conditions and said little about internal political conditions. Her the mere fact that constitutional changes are impending makes it all the more necessary that we should preserve the country's financial foundations in a sound condition and convince the world that any future Indian Government will so maintain them. The latter is a task on which Indian leaders should concentrate. But just at this time, we see, on the contrary efforts in certain quarters to propagate mistrust, and to impede the normal course of trade. I have taken no account of any effects from those efforts in my calculations. Local effects there may be, and Bombay, for example, with her strange passion for self-inflicted wounds, may, unless the commercial interests so threatened bestir themselves, find herself wounded beyond recovery and in danger of losing her place as a commercial market, just as she has been losing her industrial place to other centres. But, so far as India as a whole is concerned, we confidently believe that such efforts will fail to have any appreciable effect on her economic life, and that ultimately the good sense of the country will prevail.

Is it vain even now to ask for co-operation in India when we are trying to establish conditions for the new constitution? I will say no more now than that the position will require very careful consideration during the coming year. If in the handling of these problems representatives of the unofficial communities in India were ready to give their advice and support to Government, I feel confident that the national interests would benefit from such co-operation. Hon'ble Members may perhaps take up these points in debate.

We have in the past year ridden a storm which might well have wrecked us, but we have emerged from it stronger than before. We have overhauled our expenditure and reduced this to a level which should leave us a margin of revenue when any economic recovery begins, and at least substantially ease the financial problems at the start of the new Constitution. Difficulties there are which still remain to be overcome, and tasks to be accomplished. If the Indian public would co-operate in a common effort with Government, this could be done more surely and more easily; but we are determined that it shall be done. In the meanwhile, if we look round the world in the present times of difficulty we may fairly claim that there is no country in the world whose intrinsic financial position is sounder, or whose ultimate prospect of economic advance in the future is more bright.

General Discussion of the Budget

9th. MARCH:—The Assembly met to-day to commence the general discussion of the Budget. *Mian Shah Nawaz* initiated the discussion. He said, behind the consoling words of the Finance Member, there lay the desert of poverty of a sub-continent. He referred to the social services rendered by Western Governments, which were all absent in India. He opposed any thought of taxing kerosene and salt in the future, and pleaded that the Government of India should bring down its administrative expenditure in relation to the taxable capacity of the people. He considered that military expenditure could be reduced through reduction in troops had found no justification, for instance, for the expenses incurred on Razmak. He urged the abandonment of Civil Disobedience, and pleaded for co-operation at the R. T. C. to enable a settlement between the two countries which might lead to national prosperity.

Sir Hugh Cocke, leader of the European Group, recalled his nine years' association with the Assembly from the days of Sir Basil Blackett's Finance Membership, as this would be the last occasion for him to speak on the Budget. He felt that when during the Blackett regime. Provincial contributions were eliminated, they all felt that the revenues of the country would go ahead and enable further reduction in taxation. Instead, the picture became dismal and he felt a great deal of sympathy for the present Finance Member.

Sir H. Cocke referred to the labours of the Federal Finance Committee, and to the suggestions in some quarters that a great part of the income-tax should go to the provinces. He held that it was important, now that the Customs revenue was heavily falling, that the Central Government should not be starved of adequate

finances. He also held that, if social services were to be increased and the lot of the poor man helped, Finance Members of the future would have to impose a small burden on the masses. He referred to the figures of revenue and expenditure for the five years, 1923 to 1928, and the present position, which showed that the Rs. 24 crores gap in revenue had been made up through 11 crores of retrenchment and 13 crores of extra-taxation. One extraordinary development was the habit of investment among the common people. Through education, thrift had developed, and if this trend continued, the Government's borrowing would be more and more through the masses rather than from the classes and bankers. He hoped the Finance Member's calculations of a substantial surplus next year would turn out to be true. The Government needed the help of all, and they should marshal their forces to prevent the political situation from reaching on the financial situation.

Dr. Dalal said that the prestige of the British stood higher than at any time, and if the Congress had the welfare of India at heart, it should shake off the war mentality, and join the Government in constitution-making.

Mr. B. Das remarked that *Dr. Dalal* had no right to speak on purely political matters. A recent meeting in London under the chairmanship of the Hon. Bertrand Russell, had resolved urging the Government to come to terms with the Congress. That was his only reply to *Dr. Dalal's* observations.

Claiming himself to be a constitutionalist, *Mr. B. Das* asked where was the response from the Government's side to the Nationalist demands. The Government themselves were not constitutionalists. Why did they throw to the winds the principles of sound finance and give a subvention to Sir George Schuster's orphans—the North-West Frontier and Aden? The speaker complained that the incidence of taxation was not properly distributed and that there was a tendency for the rich man to go free, while the half-starved loyal poor man was fleeced.

As a member of the Public Accounts Committee, *Mr. Das* referred to cases in which the Provincial Governments did not pay interest for portions of the loans taken from the Central Government and insisted on the Central Government being stiff. Concluding, he objected to the absence of financiers from the provinces on the Federal Finance Committee.

*Mr. Sitaramaraj*n objected to the Government of India's method of raising taxation, spurning the advice of the representatives of the people. In the circumstances, constitutional privileges said to be enjoyed by the Assembly were unreal, rendering co-operation impossible. If India was to have a constitution on an all India Federal basis then each province must have its influences placed on a stronger foundation and not to be made dependent largely on Excise revenue, which was itself a decreasing factor in view of economic and political causes. He welcomed the idea of the provinces collecting and taking income-tax.

Alluding to the military expenditure, the speaker contested the view that India was exposed to danger on all borders and wanted adequate provision for establishing an Indian Navy. He was alarmed at Sir George Schuster's announcement that the Commander-in-Chief would next year ask for higher military expenditure. On the other hand, the speaker put in a plea for reduction of military expenditure to an amount lower than what the Inchcape Committee had recommended. It was monstrous to think of the Inchcape Committee's figure in these days of fall in prices.

Referring to the expenditure on the civil side *Mr. Sitaramaraju* argued in favour of a national standard of wages for Indians as suggested by *Mr. K. C. Roy* in his evidence before the Lee Commission. In this connection, he referred amidst applause to the voluntary surrender of Rs. 1,000 in his salary by *Sir T. Vijayaraghavachari*, Vice-Chairman of the Imperial Council of Agricultural Research, and wondered if any other officer had made a similar offer in this national emergency. Patriotic men like *Sir T. Vijayaraghavachari* should come forward. As regards salaries for future entrants, he asked why the Government of India had not yet adopted the policy followed by some Provincial Governments of taking men on a salary representing a reduction of 15 per cent.

Mr. N. M. Joshi contested *Mr. Mody's* point of view, and held that the majority of taxes of the Central Government, being indirect, fell on the poorer classes and yet the expenditure of the Government was directed entirely to safeguarding the interests of propertied classes. Poor people, all over the world, did not want armies. They had nothing to lose. He urged direct taxation and a reduction in indirect taxation. Thus, the taxable limit of income could be reduced from Rs. 1,000 to Rs. 500 or 600. Commencing on the attitude of the House he said: "This House

stands for capitalistic interests. Its conduct in throwing out the Foreign Investment Taxation Bill proved how it was a tool of the capitalists." Finally, Mr. Joshi pleaded that the Government of India should exert its influence in the international world to bring about recovery from the depression caused by the mad policy of tariffs and protection.

Mr. Bhupat Singh considered that the present distress was due to political causes which were largely Government's creation. Of the 300 officers retrenched, he asked, how many were Indians? He advocated a graduated cut in salaries, and severely criticised military expenditure.

Mr. S. C. Jog said that the very fact that the Finance Member intended to tax the poor man's salt and kerosene and other necessities showed the extremities to which they were driving the people. He pleaded for reduction of British troops and rapid Indianisation. But, he was alarmed at the Finance Member's statement that 48 crores should be regarded as the minimum. If that was really the case, then the Government did not mean to Indianise the Army or reduce its expenditure.

Mr. Dumasia referred to the five year plan of Soviet Russia and asked why a similar programme could not be carried out in India in order to increase the purchasing power of the people.

Mr. Navakumar Dudhoria suggested a restriction on the export of gold. The depletion of the Government's finances was due to unnecessary expenditure on committees and conferences. Though he did not grudge the subvention to the Frontier, it was inadvisable in the present financial position of the Government. The Government's policy of rule by Ordinances went against any hope of recovery.

Mr. Lalchand Navalrai attacked the system of administration as being the cause of the present muddle, and did not agree that the world-wide depression had anything to do with the present situation in India. Unless the political situation eased, there was no hope of balancing the Budget. He did not understand why the recommendation of responsible committees on retrenchment appointed by the Government should not be accepted in toto. He regarded it as a bad precedent to grant a subvention to any Province.

Mr. Ramakrishna Reddi supported *Mr. B. Das's* observations regarding the poor masses being mulcted, and the rich people comparatively escaping the burden of taxation. He objected to any suggestion to increase the burden of the masses by way of increasing the duty on kerosene oil and betel-nuts. It was cruel that, at a time when disarmament was the talk in other countries, the Indian Government had not reduced the military expenditure appreciably. He quoted from the Army Retrenchment Committee's Report to show that there was needless overstaffing in the Military Medical Service. The Indian Army was regarded by the British as merely a link in the chain of Imperial defence.

10th. MARCH:—*Haji Chaudhury Ismail* resuming the debate to-day said that officials in India should feel that they were public servants and not public masters. Civil and Military expenditure, at least at this late stage, should be reduced to a level commensurate with the reduced revenue. Unless the present system of rule by repression was abandoned, there was not prospect of trade revival and customs revenue would still further reduce year by year. He appealed to the Government not to exasperate the poor people by threat of taxation on kerosene, salt, etc.

Sir Henry Gidney hoped that the ten per cent cut would soon be given up in order to restore confidence of the subordinates. He did not believe that the Finance Member would be able to receive more money by piling up income-tax as it had reached its limit. Instead he suggested that taxing of pan and other luxuries would bring money very easily. Proceeding, the speaker emphasised that the strength of the army should not be reduced, because it would lead to chaos and insecurity in the country. Referring to Anglo-Indians, *Sir H. Gidney* said that they were pioneers of Empire building who by their long and peaceful service played a great part in fostering and developing industry in the country. It would be nothing but expropriation if other communities tried to deprive them of their well-earned position in the public service of the country. Referring to his memorandum to the first Round Table Conference which was referred to by *Mr. C. S. Ranga Aiyar*

during the railway budget discussion, Colonel Gidney pointed out that it had become out of date as another modified one was presented in the Second Conference.

Sardar Sant Singh said that the reasonable demands of the Indian people for a self-respecting position on honourable terms in the Empire had been consistently spurned with contempt. Ever since the Great War, Indians had offered co-operation in abundance not only by service in the Army but even by coming to this Assembly. But the result had been repression and more repression. The talk of reforms side by side with repression was not the remedy for discontent, but it would be driving discontent underground which would recoil on their own heads if allowed any further. In spite of the co-operation of Opposition members in the Assembly who had been called by people as toadies, they had been slighted and insulted by the promulgation of measures without their consultation.

Sir Abdur Rahim, Leader of the Independent Party, complimented Sir George Schuster for his masterly skill in presenting the budget, but observed that Sir George Schuster was helpless and was being dictated to by his master at Whitehall as regards the policy. To have linked the rupee to the sterling on which speculators profited, was surely to injure India. It should be left to the representatives in the Assembly to fix the level of expenditure and then if there was any surplus they could reduce the burden of taxation of people. At present, the position was the other way about. Referring to the Retrenchment Committee operations, he emphasised the general policies outlined in the General Purposes Committee (of which he was the President) and whereon Mr. Ramsay Scott had rendered valuable assistance and co-operation and asked to what extent was Indianisation being followed. In particular, he pointed out that 300 officers were discharged and asked what compensation had been paid to them. If the recommendations of the Committee were followed, they would find room for further cutting down expenditure and thereby make it possible to reduce taxation. Concluding, Sir Abdur Rahim referred to the export of gold and said that a reserve of gold was necessary for any country. He characterised the present export of gold as disastrous to the best interests of the country and did not agree with Sir George Schuster that it should be allowed.

Sir Hari Singh Gour referred to the unreality of the debate when under constitutional compulsion they had already voted the money during the last session. The House was helpless against the Secretary of State. He asked "What is the use of keeping up this dismal show?" The speaker referred to the urgent need for reduction in military expenditure which was an all-consuming Moloch (applause). Secondly, the annual statement regarding the progress of Indianisation should be placed before them showing how the preamble of the Government of India Act was being observed. Thirdly, recruitment to the All-India services should be stopped and the Lee concession withdrawn.

Mr. Chaudhury Lalchand drew the Assembly's attention to the lot of the present proprietors who were treated very badly in respect of the land revenue, etc., while factory-owners and shop-keepers escaped such taxation. He pleaded for bounties being granted to relieve agricultural indebtedness. The speaker joined in the criticism of the expensive and costly administration, and endorsed the suggestion that Indians must accept lower wages than Europeans. He warned Mr. M. C. Rajah against allowing the Depressed Class to be exploited either by Dr. Moonjee or by Sir Henry Gidney.

Mr. Syed Murtaza Sahib suggested to the Government to follow Lord Irwin's policy of conciliation of the Congress. He deplored that men like Bhai Parmanand in the guise of Nationalism, were always exhibiting communalism. What greater evidence was required for this assertion than the speech of Bhai Parmanand against the grant of a subvention to the Frontier Province? However, reforms were becoming a reality in the Frontier. Hindus and Sikhs would be very well treated, because out of 28 elected seats 6 had been reserved for the minorities. The speaker appealed to the Finance Member to enlist the sympathy of the Commander-in-Chief in reducing the military expenditure.

Sir George Schuster, winding up the debate, said that no Finance Member in any part of the world had passed through such a crisis during the last three years continuously as he had done. Some members had referred to the Russian methods. He wondered whether this vast country would submit to that tyranny which was necessary if the Government was to follow the methods adopted by the Russians. The safest method was that adopted by England during the last election, when

people themselves determined to put their men at the helm of affairs in order to deal with the financial crisis. As for the N. W. Frontier, the Finance Member told Mr. Das that it was not a case of an orphan being helped, but it was a case of a young man who had attained majority.

Sir George Schuster informed Mr. Mody that India's debts during the last 11 years had decreased by 7.93 crores. There was no hope of getting increased revenue by raising the Customs duty. If income-tax was further spread, then there would be a difficulty in administering it. In fact, already difficulties were being experienced by their having reduced the minimum to Rs. 1,000, because thereby 350,000 assesses had been added to the list.

The Finance Member informed Sir Abdur Rahim that a statement explaining the compensation given to 300 officers would be sent round to the members. He hoped Sir Abdur Rahim would prove to be a protagonist of retrenchment when voting on the demands for grants. Except by reduction of British troops, there was no hope of making greater economy than what had been done in the Army.

SALT IMPORT DUTY ACT

11th. MARCH :—The Assembly met to-day for a short while to enable official members to introduce their bills. At the outset Sir George Schuster, introduced the Bill extending by one year the operation of the *Salt Additional Import Duty Act, 1931*.

BROADCASTING BILL

Sir Joseph Bhow next introduced the *Indian Traffic Wireless Broadcasting Bill*. He said that the Government of India had decided to maintain the service in view of the public value of Broadcasting and the weight of public opinion against its discontinuance. They considered, however, that the service should not be a charge upon the general tax-payer, and they had accordingly proposed that the import duties on wireless reception apparatus should be enhanced so as to ensure that customs receipts associated with Broadcasting might suffice to cover the cost of the service. The present duty, including surcharges was 25 centum ad valorem. The Bill proposed 50 centum and no surcharge. The Bill would come into immediate effect under the provisions of the provisional collection of Taxes Act 1931.

CONTROL OF LABOUR ON ASSAM TEA ESTATES

Sir Joseph Bhow next introduced the *Tea Districts Emigrant Labour Bill* which gives effect to the recommendations of the Whitley Commission. Its first object is to make it possible to exercise such control over the recruitment and forwarding of assisted emigrants to the Assam tea gardens as may be justified and required in the interests of emigrants and potential emigrants. The Bill also seeks to ensure that no restrictions are imposed which are not so justified. In addition, the Bill seeks to secure for those who are to emigrate under it, the right to be repatriated from Assam with their dependents at the employer's expense. It is proposed to appoint a Controller of Emigrant Labour. The charges will be met by the tea industry through a cess. The provisions of the Bill are intended to apply only to emigration for work on the tea plantations in the first instance, but power is retained to extend its application to other industries in Assam and to other districts than the eight tea districts. This power could be used if labourers are imported to other forms of industry with a view to their transference to tea estates or if the tea industry develops in other parts of Assam.

THE BENGAL DETENUS' BILL

Sir James Crerar moved that the House do take into consideration the Select Committee's report on the *Bengal Criminal Law Detenus Bill*. He said that the Bill was simple and had emerged from the select committee in the precise form in which he had introduced it and he hoped that the House would join him in giving effect to the recommendation of the Committee.

Mr. S. C. Mitra said that as the Bill was not altered and was not improved, he would raise an opposition to it. The Bill was meant to dig the grave for political detenus. Its purpose was—and he invited the Home Member to say so openly—to prevent the relative of the detenus from having interviews with them. Speaking as an ex-detenu he stated that solitary life in jail was torture. Could they imagine a greater torture for a Bengalee detenu, than that he be sent to the

jail in Ajmere which was seventy miles from any railway station, and where if relatives wished to go, they could travel only by camel or bullock cart. Fish which was an essential diet of the Bengalee could not be obtained there. That was clearly a case of preventing interviews and wrecking the health of the detenus, none of whom had been tried and found guilty and against whom the Government had no evidence.

Mr. Raju contended that the measure was not simple and strongly urged the deletion of Clause IV which took away the only remedy available to challenge the acts of the Executive if the detention of a particular individual was unlawful. There was no reason why a subject should be deprived of this remedy which he had under Sec 491 of the Criminal Procedure Code.

Mr. Sant Singh said that the Bill was on a par with the Rowlatt Act. When the Assembly was formed, it killed the Rowlatt Act. Now that the Assembly was to pass this measure, it would ring the death-knell of the Assembly. He held that to detain a person for a single day without trial was a crime against society. If the Government wanted magistrates who could accept police orders, they could get them from the Punjab.

Sir Cowasji Jahangir said that there was confusion of thought in the debate. The House had nothing to do with the powers of detention which was governed by a local Act. The issue before the Assembly was clear cut, and that was to help the Bengal Government to send detenus to places outside Bengal. Beyond that, the Assembly did not accept any other principle. He hoped that the Government would take care that detenus when transferred to other parts were given the same comforts as they had in their own provinces. That was a most relevant claim to make. He supported Mr. Raju's contention that Clause IV be deleted.

The Assembly at this stage adjourned till the next day, the 12th. MARCH, when Sir Frank Noyce introduced the *Bill amending the Indian Merchant Shipping Act* which proposed to give effect to the recommendations of the Haj Committee report. Sir Frank added that this was the first of three Bills, two of which would propose the constitution of Haj Committees at the Ports of Karachi, Bombay and Calcutta and provide for licensing of Muslims and their agents.

Discussion was then resumed on the *Bengal Criminal Law Supplementary Bill* relating to transfer of detenus.

Sir Hari Singh Gour referred to the criticism of his work on the Select Committee. He said as Chairman of the Committee, his function was like the keeper of the ring, who must see that there was fair play. His own views regarding the Bill remained unchanged. Continuing, the speaker said that they must see that in the case of persons, who were denied ordinary remedy of ordinary convicts, they received human treatment. Where were they going to be lodged and what food would they get? He wanted an assurance that in no circumstances would these detenus be lodged in an Island home outside the main land of India. He then examined the detailed provisions of the Bill and asked whether its life would be extended if the Bengal Act was extended, secondly whether it was not a fact that the Bill took away even the right of the High Court to summon any detenus as a witness in any case unconnected with the cause of detention. He asked the Government to see what was happening in Ireland to-day. There may be De Valeras among these detenus who might one day occupy the treasury benches (applause). Let not therefore posterity say that the Assembly put on the statute book an inhuman measure.

Sir B. L. Mitter said three-fourths of the speeches were devoted to the principle of detention without trial and said: "It is an abhorrent principle to every law, to every administration, but the Bengal Council having regard to the circumstances there thought it necessary to resort to that abhorrent principle for a temporary period but that issue is not before the House".

The President said that if the speaker thought the matter discussed yesterday was irrelevant why did he not raise a point of order. The Chair would have then given reason why discussion was perfectly relevant. (Applause.)

The Law Member said that both relevant and irrelevant matter was so mixed that it was difficult to take a point of order. The Law Member read from the unanimous report of the Select Committee which said: "We do not propose that any amendments be made in the Bill and we recommend that it be passed as introduced". (Applause.) The Law Member said, "This is Sir Hari Singh Gour's written opinion and we heard to-day his verbal opinion. How does he reconcile the two?"

Sir Hari Singh Gour: Haven't I done so? (Laughter).

The Law Member : However, Sir, it is not his conduct but merits of the Bill, that we are discussing (renewed laughter). The Law Member admitted that the right of the High Court had been taken away but he gave a definite assurance that if the High Court wishes to have as witness any detenus the Government would not, in any way, stand in the way.

Mr. Sant Singh : When judges look into this act they will refrain from calling detenus.

Sir B. L. Mitter : There is nothing to prevent a Judge from saying that the evidence of a particular detenus is necessary but by reason of this act the Court is not in a position to direct his production. An expression of opinion of that sort will be taken note of by the Government of India.

Mr. Mody : Will not Government issue specific instructions to High Courts ?

Sir B. L. Mitter : In the case of State Regulation prisoners such a request has always been complied with. I challenge any member to prove to the contrary.

A member : Was it not possible to excuse this from the purview of the Bill ?

The Law Member : No amendment to this effect was moved in the select committee.

Sir Abdur Rahim : It is desirable that discretion in this matter be left in the hands of the Government ?

Sir B. L. Mitter : We are only bringing detenus on a par with Regulation prisoners. If you can swallow detention without trial you can as well swallow this. (Applause).

Sir Cowasji Jehangir next put the question : How could the High Court intervene and test the legality or illegality of detention in view of clause four ?

Sir B. L. Mitter maintained that the High Court could always judge the legality of detention but once detention had been done properly under the special Act High Court's intervention was debarred. He said members of the Select Committee were shown the rules which would regulate the life of detenus and their treatment. Sir Hari Singh Gour had admitted them as liberal. He said that every suggestion made by members to make the lot of the poor detenus as tolerable as possible would be welcomed. Finally he assured the House that the life of the Supplementary Bill was only upto the time the life of the Bengal Act of 1930 lasted, namely, five years, and even if the Bengal Act was extended the Supplementary Act lapsed.

Mr. K. M. Munshi (Burma) opposed the Bill as depriving persons of their fundamental rights. He opined that the Assembly had made a mistake in agreeing to the principle by referring the Bill to the Select Committee and it should now correct its own error.

Sir Cowasji Jehangir : By accepting for the Bengal Act provisions of the present Bill.

The Law Member stated that if the House could swallow detention without trial, why then protest against clause four of the present Bill. Mr. Munshi agreed with the Law Member, for, if the Assembly now supported the Bill it was supporting the principle of the Bengal Act which permitted detention without trial. He asked if Sir Cowasji Jehangir would support the Bengal Act if placed before the House. (No answer). If he could not support the Bengal Act, how could he support the Bill. He asked Sir Cowasji whether he would persist in perpetuating a mistake when the Bill was referred to Select Committee ?

Sir Cowasji retorted : The House has the privilege of changing its mind at any moment. But Mr. Munshi who was absent during the previous discussions has no right to criticise us at the present stage of the Bill.

Proceeding, Mr. Munshi examined the principle of the Bill and said that the principle of transferring detenus from one Province to another was pernicious. At any rate he did not want detenus to be transferred to Burma. He recalled how in 1926 when the Bengal detenus were lodged in Burma Jail prisoners could not get facilities for play or worship, without prolonged correspondence with the Bengal Government. It was no use of the Government member giving an assurance that every effort would be made for removing any hardship of detenus because it had no binding legal sanction on the Bengal Government.

Sir Abdur Rahim drew special attention to clause 4 which says : "The powers conferred by Section 491 of the Criminal Procedure Code shall not be exercised in respect of any persons arrested, committed to or detained in custody under the Local Act or the Local Act as supplemented by its Act."

Sir Abdur asked if it was necessary to insert clause 4 to remove any doubts as regards the power of High Courts, then why not also make it clear that in case the

procedure laid down in the Bengal Act as regards detention of these persons is not observed then the High Court has power to interfere and order release of persons in custody.

Sir B. L. Mitter replied : Ordinarily the High Court has certain powers and in so far as you expressly take away those powers, then the High Court loses the power. But residuary powers remain with the High Court.

Sir Abdur Rahim reiterated his objection to clause 4 in terms stated above and asked why certain rules framed by the Bengal Government had not been published.

Mr. C. C. Biswas (Bengal) spoke for one hour exhaustively criticising the Bill in all aspects. He analysed clause four which he described as ambiguous and said it was an elementary right that a subject should not be deprived of his liberty and he should not feel that his liberty had been unlawfully taken away. Either clause 4 was intended to be operative or it was not. If it was, then they must successfully take away the right of the High Court. If not, they must remove that clause and follow it up by bringing in an amending bill. Where a subject had been deprived of his liberty he should not be deprived of his right to show that his liberty had been unlawfully taken away. Speaking on a similar legislation in 1925 *Sir Alexander Muddiman* as Home Member pointed out that the difficulty of Government was that they could not disclose evidence whereon terrorists were arrested and detained. This meant that executive action in respect of detentions must be decisively free from judicial control. Unless the Government took that position, they could not possibly justify clause 4 as it was. But the House had a duty and responsibility in dealing with detenus. The least they could do was to accept the amendment of *Mr. Seetharama Raju* for deletion of that clause. Let the House and the Government realise that justice should be tempered with mercy, more especially as the detenus were not charged before any court but only restrained and detained by the Government for certain purposes. Proceeding, he alluded to the committees appointed to revise the cases of detenus and to the release ordered as a result of their inspection of records and appealed to the Government to do likewise in respect of the present detenus. Regarding diet and other requirement of detenus, *Mr. Biswas* alluded to the special hardships of Bengal detenus and urged Government not to rest content with instructions to local Government but to see that those were followed scrupulously in each case so that there need be no unnecessary hardship and that detenus were not inhumanly treated.

Mr. K. C. Neogy said that he was not going to be a party to this bill, let alone details and his attitude was one of unadulterated opposition. He doubted if, as was pointed out by the Law Member, the sanction of the Assembly in relation to the Bill was to pass supplementary legislation. It was not a fact that if the House provided comforts for the detenus, its responsibility was over. There was not definite proof that autonomous provinces in the future would be affected by assurance given at present. Even if assurance were given by Government as to the comforts and better treatment of the detenus as a class, vital objection to the Bill would still remain. Therefore he appealed to the members not to delude themselves with a tinkering here and there or any false assurances from the Government which could not be put into practice but to reject the Bill outright.

Sir James Creer, replying to the two days debate, said that no Bill of a similar character had been more minutely and more extensively examined by the House than this. When therefore it was referred to the Select Committee, the House approved of two principles underlying it, namely, that power be given to transfer persons from Bengal to other provinces and that the Habeas Corpus should not apply to the provisions of the Bill. He asked whether the House without having any matter which would justify qualifications to its previous vote, could resile from its position without incurring the imputation that it was eating its own words. It was a matter of deep regret that *Mr. Munshi* should have given expression to views which he (speaker) trusted would not be endorsed by the House. He submitted that they must give due consideration and respect to the views of local legislatures. (Applause). They would by an adverse vote on this occasion create doubts regarding their professions about provincial autonomy and possible consequences of responsibility at the centre.

Mr. Sant Singh : May I enquire if the Central Government always follows judgment of the Local Government and Legislature ?

Sir Abdullah Suhrawardy : It seems to accept local judgment on sentences but overrules on question of mercy.

Sir James Crerar : We must have reasonable respect and reasonable consideration for local Legislatures' views. As regards the "Habeas Corpus" the issue was clear, if they accepted the view of the local Government. Sir James Crerar assured the House that liberal rules which were being framed regarding detenues who were to be transferred would be published in the Gazette of India and would permit provisions of an officer in charge who knew conditions of Bengal life, Bengalee cooks, Bengalee food. Arrangements for recreation and indoor and outdoor games would all be made in centrally administered areas as far as possible (applause) and he would undertake to communicate the same to the local Governments who may have to take into their jails such detenues.

A Member asked whether relatives of detenues would be granted travelling allowance for interviews.

Sir James Crerar said he could not give such an undertaking as it would not be just to call upon the tax-payer of Bengal to pay expense of what must be regarded as private interest entirely. He assured them that the purpose of the Bill was not to deprive people of interviews. Certainly he wanted to cure the present evils which had arisen out of interviews but all reasonable facilities would remain. Finally, he appealed to the House to show imagination and discharge its part of the responsibility. (Applause).

The motion that the Bill as reported by the Select Committee be taken into consideration was put to the House and division was called. Later, however, the opposition agreed to let the motion be agreed to without insisting on division. The House then adjourned till the 14th.

THE DELHI LATHI CHARGE

*14th. MARCH :—*In the Assembly to-day Mr. Maswood Ahmed moving an adjournment motion to protest against the lathi charge in Delhi, briefly narrated the events in the city for the last three days, as to how indiscriminate lathi charges were made on a peaceful and unarmed crowd on the occasion of the arrest of Mufti Kifayatulla. From Press reports and from what he saw personally, it appeared to him that the authorities were bent upon doing mischief. He particularly mentioned an incident of alleged desecration of a mosque in Kuncha Rahaman into which, he said, the police entered with their shoes on, broke the lantern and door, and made a lathi charge on the people there and arrested many persons. He had since inspected the mosque and found that it was absolutely impossible to throw stones from the mosque. There was no window or any hole. That being so, what right had the police to enter a religious place of worship and commit atrocities? The Muslims, for all the world, would never allow anything that wounded their religious sanctity or sentiment. He warned the Government that, unless they punished those who were found guilty of this desecration, the Muslims would never rest quiet for a moment. Concluding, Mr. Maswood Ahmed asked for a independent and impartial enquiry into the occurrence, and appealed to the Government to respect the feelings of all communities in regard to places of worship.

Sir James Crerar, replying to the debate, said that Mufti Kifayatullah had been making violent speeches. The meeting had been duly declared unlawful. There was no ground for the suggestion that the action of the police was not justified. Then again, it was apparent from the fact that, on the 12th, a boy with a knife wounded two constables and one of them on the chest, that the crowd was not peaceful. He asked the House to bear in mind that police action in narrow by-lanes was particularly fraught with danger, as they were exposed to missiles and brickbats. If action had not been taken rapidly, Delhi might have faced a tragedy similar to that which another Upper India town had faced. The Government had sympathy for the great concern expressed by the members over the issue. (Syed Murtaza : We don't want lip sympathy), but he must accept as correct the report of Mr. Senior, a police officer of experience and integrity, whom the speaker knew personally.

Mr. Chinoy : Is not he the same officer, who was in Simla ?

Sir James Crerar : This report must be accepted against irresponsible statements by the press whose authors were unknown to the speaker.

The Home Member asked the House how the police party under the direction of Moslem officers could possibly be guilty of deliberate or wanton damage or desecration to the mosque. If any damage occurred, it must have been accidental. Finally, Sir James Crerar said that while he adhered to his views, he would consult the Chief Commissioner if any further action was necessary. He asked the House to

pass a vote of encouragement for the officers who had duly discharged their duty in Delhi.

The motion was put to the vote, and while a division took place and the tellers had brought the list, two members approached the Secretary to add their vote on the table. To this, the Leader of the House objected. The President said that this had been allowed in the past but he would give his considered ruling later.

Some members on the Opposition benches remained neutral.

The motion was rejected, 47 voting for and 50 against.

CUT IN RETRENCHMENT

15th. MARCH :—Voting on Budget demands for grants commenced to-day and the debate on retrenchment initiated by the Independents was the main feature of the sitting.

Mr. S. C. Mitter moved his token cut on behalf of the Independent party to raise the question of the retrenchment. He referred to Sir George Schuster's speech indicating the prosperity of the people as shown by the large investment in Government treasury bills and loans and other investments. The speaker uttered a warning that that was no test of the country's prosperity.

Proceeding, *Mr. Mitra* said that it was not fair to compare taxation in Britain with that in India, for in the former country there were many alleviating features like unemployment insurance and other benefits. All these features were absent in India. Mahatma Gandhi tried to deal with the problem of unemployment with the *eharkha* but Mahatma Gandhi to-day was in jail. However, there was no bold policy of helping India. Sir George Schuster was helpless, and every year he was changing his views and also his principle to suit the circumstances. (Laughter.) This was perhaps necessary in obedience to the dictates from Whitehall, but it was ruinous to India. Let Sir George Schuster be given a free hand to carry out his own policy and there would be a change for the better.

Mr. Mitra exhaustively examined the growth of expenditure in every department and subjected many items to scrutiny in the light of the recommendations of retrenchment committees and complained that in the majority of cases the recommendations had been ignored. As regards New Delhi, he asked why the Government should suddenly hit upon the new argument of lack of adequate water supply during summer, in support of the exodus. Why did not the Government, when they spent crores and crores on New Delhi, not think of all this? Surely, when the municipality could supply water to such a large population in Old and New Delhi, could they not do for a small additional population of two thousand clerks?

Mr. B. Das complained that the retrenchment hitherto done had only scraped the surface. More than 50 per cent. of the revenues of the Government merely went to pay bills. The only remedy was to revise the basic pay of all services. He wished the Retrenchment Committees had done that. He feared the present Government might leave them various obligations of which the country was not yet fully aware. He asked why the Frontier watch and ward expenses were not charged to the military and why there was such extravagance in the Stationery department. Every department could do with a secretary and an under-secretary. They had a whole series of highly paid engineers for merely looking after New Delhi buildings whereas one superintending engineer would be enough. The appointment of a personal assistant to the chief engineer, P. W. D., on Rs. 1,800 was the worst aspect to extravagance. He wanted a wholesale reduction in the staff of the India Office and a large cut in the High Commissioner's establishment and insisted that the Postal department must pay its way even if increases given a few years ago were to be cancelled. The country was being driven to the verge of ruin and a 20 per cent. cut should be enforced.

Sir Fazl-i-Hussain spoke as one among the long-suffering heads of departments. He said the Finance Member, who was the watchdog of the State's finances, had developed into a wolf and he pleaded in defence that if his department being beneficent was cut, non-official members would protest, but when the Sub-Committees on retrenchment were formed, non-officials themselves were found to be wolves 'more blood-thirsty' than the Finance Member. (Laughter.) He gave a few instances. The Archaeological department which was attempting to hold high India's head in the civilised world was to be starved. He had to oppose the committee's attempt even to undo a contract with an officer who was to give to the world his experience of life. He

assured them that the Government was not engaged in the luxury of squandering money. He had undertaken to work the reforms in his province with a view to advance the beneficent departments of the Government and it was a matter of pain to him to see that the axe struck at the root of the beneficent activities of his department. Not only various research activities had been killed by the axe but medicine, public health and survey of India and even the Agricultural Research Council which was the creation of a vote of this House were threatened with extinction. Finally he assured the House that there was no justification for the charge that Englishmen and Anglo-Indians had not been retrenched and Indian officials had been. The facts were otherwise. (Applause.)

Sir Abdur Rahim, who was the Chairman of the General Purposes Sub-Committee, was cheered as he rose to reply to the Education Member's charge against his committee. He said that there were other wolves and other victims. The chief victims were the people of this country whom the burden of taxation was ruining. *Sir Fazli*, he said, was out of the country and was not in full possession of facts and had been misled. Far from crippling his department the sub-committee wanted nothing to be done to have that effect. As regards the Agricultural Research Council, for instance, the sub-committee recommended its retention in spite of the pressure put on it for its abolition. All that the committee wanted was that the agriculture section of the department which was duplicating work should stop functioning. Similarly they wished the director of medical services to be abolished as the post was superfluous. As regards *Sir John Marshall* they believed that the officer was expected during his life-long service to have rendered an account of his work and that his work could in any case be carried on by others and further that the terms offered were over-generous. He told *Sir Henry Gidney* that the customs officials were whole-time officials and therefore not entitled to overtime allowance. They must not waste money on the Customs department. They did not see why twelve lakhs should be wasted in overtime allowances. Continuing *Sir Abdur Rahim* said that the Government had not given effect to their proposals regarding the Public Service Commission and had in fact accepted only 50 per cent of their cuts.

Sir George Schuster assured *Sir Abdur Rahim* that the result of the committees' proposals was undoubtedly what *Sir Fazl-i-Hussain* had described. The Government had already given effect to retrenchment to the extent of 430 lakhs as against 490 lakhs proposed. *Sir Abdur Rahim's* committee had itself proposed a cut of 425 lakhs of which 15 lakhs in respect of the Lee concessions and 30 lakhs over the abolition of the Ecclesiastical department could not be treated as ordinary retrenchment. As for the rest 250 lakhs had been accepted and the Government had carried out 87 lakhs of additional cut. This surely was a very effective response. He was glad to acknowledge that his experiment of associating the members of the House which in some quarters was considered a dangerous experiment yielded happy result. Questions like reduction in the Public Service Commission and the salary of the Council of State President were under consideration, but could not be settled at once until some change occurred in the tenure of the posts affected.

Proceeding *Sir George Schuster* emphasised that the Government's policy was one of maximum economy consistent with efficiency. He disputed the suggestion that behind the retrenchments there was any jobbery or favouritism. As for future entrants the Government would shortly come to a decision as to the terms of future entrants. Regarding the Army expenditure it was no use merely harping on the Inchcape Committee's figure. It must be noted that the figure was suggested when the military expenditure was 67½ crores. Now it had been reduced to 46½. This represented a reduction of more than 30 per cent. He reiterated his observation that short of a substantial reduction in troops the Government could claim that the Army expenditure had been cut down to the minimum possible level. Thus on the general picture they could congratulate themselves on the results achieved while of course they should all follow up retrenchment on the lines already chalked out.

Mr. S. C. Mitra maintained there was enough room for retrenchment. *Mr. Mitra's* cut was passed to a division and carried by 47 against 46 votes.

INCOME-TAX EVASIONS

16th. MARCH :—The question of income-tax evasions was raised in the Assembly to-day by the European group.

Mr. Tait, moving a token cut on behalf of the European group, said he wished to draw attention to the inadequacy of the remarks of the Finance Member in his

budget speech on the important question of evasion of income-tax. In November last they had been assured by Sir George Schuster that an enquiry would be made into the points mentioned by the European group on the subject. He asked what had resulted from the enquiry. The Finance Member must not expect any information from the outside public. His own department ought to know it. Moreover anybody in possession of confidential information through professional channels could not be expected to disclose it. Mr. Tait made a practical suggestion that a small expert body of two or three persons, not necessarily officials, should visit each centre to examine the effectiveness of assessment work. He said that those who paid income-tax at present were interested in this question, because if all were assessed the result would be a reduction in the charges levied on those who paid income-tax at present while persons with incomes between Rs. 1,000 and Rs. 2,000 could be relieved of this burden.

Sir George Schuster said he was prepared to accept the position that the Government should improve the machinery for venting evasions of income-tax. He had already expressed his willingness to discuss with the party leaders and others as soon as the session was over various measures for improving the machinery. A good many of the suggestions of the Bombay commercial organisations might encounter opposition and would require legislation. On the other hand, the Government proposals were simple and were intended to tighten up control.

Mr. Tait said the fact that honest people were harassed was not an argument that dishonest people should be allowed to escape. As the Finance Member was willing to consult members before taking action he was prepared to withdraw his motion. The House refused permission to withdraw the motion and rejected it without a division.

INDIANISATION OF ARMY

Mr. Yamin Khan then moved a token cut to raise the question of Indianisation of the army. He recalled the fact that in 1923 he had urged the Assembly to pass his resolution that the appointment of King's commissioned officers to Indian regiments must be confined to Indians directly recruited or promoted from Viceroy's commissions. Though this resolution did not get through and the Assembly of that day was dazzled by Lord Rawlinson's announcement, time had justified the position he took up then. He was anxious to avoid bringing the army into politics, and the way to avoid the issue of British troops refusing to be officered by Indians was to leave them alone but to Indianise the commissioned ranks of Indian regiments. Indians did not lack in valour, all they lacked was training and this should be given. He declared that he would treat Anglo-Indians domiciled in India as Indians and give them equal opportunity for recruitment in the Indian army.

Mr. Mackworth Young, Army Secretary, said that during the last six years that he had been in charge of this subject two points of criticism were that the military budget should be reduced to the Inchcape figure of 50 crores and that in accordance with the Skeen Committee's recommendation an Indian Sandhurst should be established in 1933. Mr. Mackworth Young stated that in peace times the military budget would never in future reach the figure of 50 crores (applause) and a military college will be opened in October this year instead of 1933. (Loud cheers). He referred to the fact that in the first three years of the opening of Sandhurst to Indians there was a slow progress in number, but since then there had been a steady progress not only at Sandhurst but at Woolwich and Cranwell so that the Government of India in the despatch to the Secretary of State on the Simon report definitely recommended a further expansion of Indianisation and the opening of a military college. Now after five years they could review the position in order to see what further progress was possible. As regards the problem of Viceroy's commissioned officers, he referred to the argument that the need for this class of officers would slowly disappear as Indians were recruited directly to the King's commission. The Army Secretary stated that Indianization would proceed in all probability by groups, but the Government would always keep the interest of this class in mind whatever might be the course of Indianisation. The Government would also consider the suggestion regarding further facilities for educating the sons of Viceroy's commissioned officers.

Mr. Yamin Khan was prepared to withdraw the motion but the House refused and carried the cut by 63 votes to 39. The Assembly then adjourned.

COAL PURCHASE BY RAILWAYS

17th. MARCH :—*Mr. A. H. Ghuznavi* moved to-day a token cut to raise the ques-

tion of purchase of coal by railways. He recalled his own previous statement in the Assembly to the effect that the Government was losing half a crore of rupees by their present policy of coal purchase.

He gave figures to show that the Government were losing about Rs. 50 lakhs, Rs. 30 lakhs of which was in State collieries, Rs. 9 lakhs in one company and Rs. 5 lakhs in shipments to Burma. He further stated that Mr. Whitworth, chief mining engineer, practically decided as to who should get the tenders. There were many cases in which lower rates have not been accepted. He asked for a committee of enquiry to examine the points he raised.

Sir George Rainy opposed the motion and contested the accuracy of the figures of Mr. Ghuznavi. It was not fair to say that the Railway Board accepted the mining engineer's proposals invariably. The revision of the proposals of the Railway Board was a reality. As Railway Member, he personally discussed these matters with the Financial Commissioner for railways, and he could not remember any important case in which there had not been some modification. That the distribution of orders by the Railway Board had given general satisfaction could be inferred by a telegram of the Indian Mining Federation entirely dissociating themselves from Mr. Ghuznavi's criticism and emphatically recording their view that the contracts for 1932-33 were fairly distributed. As regards Messrs. Low and Company *Sir George Rainy* informed the House that no orders were placed with that firm till last year, for which he accepted responsibility. Last year orders for a certain amount were placed with the firm. It was true that there were some cases in which lower tenders were not accepted, but the reason was that the Government had to look not only at the price but also to the manner in which the contracts were carried out. There was no ground to suppose that the Railway Board was giving contracts without adequate reasons.

The motion was negatived.

FUTURE OF BURMA

Mr. Jehangir Munshi moved a token cut to raise a debate on the future of Burma. He said the passage in the Premier's speech was not capable of the interpretation put on it by the Governor of Burma that once Burma federated she shall remain in it for ever and he wanted the House to endorse the proposition that Burma shall be free to enter the Federation without these fetters sought to be put to limit her choice.

Mr. Tait, European member from Burma, said that the Premier's speech clearly meant permanent federation or separation. Europeans in Burma wished Burma to make her free choice, but they all wanted that the choice whatever it be should be made now finally because the perpetuation of a feeling of uncertainty would not be in the interest of Burma's future.

Mr. Kyaw Myint, Burma member, was cheered as he rose. He said this time last year this separation issue was closed, but after the House had adopted his resolution and the Government of India had supported it the issue had been reopened. He thanked all party leaders and Mr. Moore for their assurances and thanked Mr. B. Das for mentioning the position of the Indian National Congress and the Federation of Indian Chambers of Commerce. The idea that once you enter the Federation you cannot leave it was frightening the people of Burma particularly uneducated who would have a greater say in the selection. So he welcomed these assurances.

Proceeding, *Mr. Kyaw Myint* complained that *Sir Charles Innes* had misinterpreted the Premier's statement in his speech to the Council. The issue before Burma was not separation or federation but whether Burma should separate on the basis of the Premier's statement. The position of those who had been persistently opposing separation was stronger to-day than it was last year. Last year they were surmising as to what would happen if separation was adopted and what if it was not. Now they knew that if they separated they had a constitution within the four corners of the Premier's statement. Even those who clamoured for separation did not like that. For the constitution that was now being offered was a travesty of constitution and was unacceptable. All that Burma wanted was freedom to make a choice without any threats of secession. Burma would not exercise that right without pondering over the consequences. In their choice they would be guided by Indian brothers. Burma wanted to be bound to the other units of the Indian federation by a silken chord not by heavy chains.

Sir George Rainy, on behalf of the Government, said that he had read every word of *Sir Charles Innes'* speech and there was nothing to suggest that there was any

threat. The speech of Sir Charles Innes was not that of an advocate but that of a judge who had placed before the Burmans all points of their consideration and decision. Let Burma understand the history of Ireland and America. It was one thing to go into the Federation on the basis that if after a full trial conditions were found to be intolerable then by mutual consent separation was possible. It was another thing to go into the Federation with a mind that after all we can get out of it. Any sort of action of that kind would be dangerous and it would be unworthy of Sir Charles Innes to suggest that there was any departure from the Premier's statement. Nor did he find semblance of threat of anything more than a definite desire to state clearly that it was for the Burmese to come to a decision on the issues realising how serious they were.

The cut was withdrawn and the House adjourned.

ECONOMY CUT UNDER CUSTOM

18th. MARCH :—*Sir Abdur Rahim* moved to-day a cut of Rs. 6½ lakhs under 'Customs.' He said that the general principle underlying economy cuts under various heads was that they represented the difference between the retrenchment committee's proposal and the effect given by the Government to them. But the House suffered from one difficulty, namely, it could record its decision only on the votable items. Therefore, they had decided to move lump cuts and leave it to the Government to distribute them among both votable and non-votable heads according to the report of the retrenchment sub-committees. He said it was impossible for the House to lay the finger on a particular activity or personnel because of their non-votable character. He emphasised the weight of authority of members who constituted the General Purpose Committee. Business experience was represented by Mr. Ramsay Scott and Lala Ramsarandas. Mr. Nixon never minced words in expressing the official point of view. The late Mr. K. C. Roy had a most intimate knowledge of the working of the departments. Mr. Rangaswami Iyengar was a sound politician. Mr. Wallayatullah represented men with provincial administrative experience. When these men found the offices overstaffed and top-heavy the Government must give due weight to their opinion. Concluding, Sir Abdur Rahim referred to the disparity between the salaries of preventive inspectors and police inspectors, and held that the former's salaries were high.

Sir George Schuster entered a warm defence on behalf of the Customs department which he emphasised was a revenue producing department like the Income-tax department and there could be no cutting down of the staff merely because of a temporary lull in trade. Trade was now beginning to look up and it was on the upward grade. If the motion was accepted it would drive the Government to an illogical and unsound position and the House would be committing an irreparable injury to the whole Government service for the sake of a temporary need.

Sir Abdur Rahim finished his speech by stating that he did not desire to press his motion.

POSTS AND TELEGRAPHS

Thereafter the various demands for grants were passed without discussion as the Nationalists and Independents having quarrelled did not press their respective motions. When the demand under posts and telegraphs was moved Mr. N. M. Joshi proposed that the grant be refused as a protest against the Government reducing the salary of postmen when they had exempted the lower grade men in other departments. Mr. A. N. Dutt supported the grant and told Mr. Joshi that the Government must either retrench men or salaries. He preferred a cut in the salaries as more human and would, therefore, back the Government.

19th. MARCH :—The Assembly met to-day to conclude voting on demands for grants. The debate was resumed on the economy cut moved by Mr. Joshi under Posts and Telegraphs yesterday.

Devan Bahadur Harbilas Sarda regretted that any member should treat the Retrenchment Committee's reports as fit for the waste paper basket. They were valuable documents which would be of use in the great task of reducing expenditure of the Government.

Sir Joseph Bhoré quoted figures disproving Mr. Ranga Aiyar's contention that hundreds and thousands of postal employees had been retrenched. He affirmed that it would take time to give full effect to all retrenchment measures. He added that no complaint had been received either from the Postmen's Union or individual against the retrenchment of staff.

The Postal and Telegraph Department grant was sanctioned. Several other demands were passed.

SUBVENTION TO THE FRONTIER PROVINCE

Mr. B. Das raised a discussion under head "Foreign and Political Department" on the ground that it had been irresponsible and unconstitutional. He complained that the resolution had not been placed before the Assembly for discussion of the subvention grant to the North West Frontier, but he objected to bringing this subvention by backdoor of estimates when the Assembly had not been given full opportunity of discussing it on the resolution. He wanted devolution Rules 14 and 15 to be amended so that the subvention could be granted to any deserving provinces including his own province of Orissa when separated from Bihar.

Sir George Schuster sympathised with *Mr. Das* in his desire to secure subvention for Orissa when it was separated. As regards the Frontier subvention Government had throughout been desirous of having a debate on the question and was satisfied that such discussion had taken place to-day to the satisfaction of all. The Government were satisfied that there were sufficient reasonable and fair grounds for granting subvention to the Frontier to give the new province a fair start. If on a subsequent date subvention was found inadequate he felt sure that the Assembly would treat more sympathetically the requirements of the Frontier.

The demand was granted without opposition.

THE REPRESSIVE POLICY

Mr. Harbans Singh next moved economy cut in respect of the Home Department. He related at length the unsatisfactory administration of Ordinances, "maltreatment of women in jails", the placing of respectable people in "C" class and innumerable lathi charges throughout the country. In particular he emphasised how the District Magistrate of Ferozepore openly asked a nominated member at a District Board meeting to vote for the Government on a resolution. He warned the Government against all these abuses of law.

Sir James Crerar did not think it proper to waste time in repeating arguments which he had put during the course of the debate for full two days a motion six weeks ago and which was thrown out by a large majority. The demand was carried.

PUBLIC SERVICES COMMISSION

Mr. Thampan next moved a cut to the extent recommended by the Retrenchment Committee and said that the Public Services Commission was merely an Advisory body without final authority and controlled by the Secretary of State. He urged the reduction of two members out of five as recommended by the Retrenchment Committee.

Now the guillotine fell and the House divided and *Mr. Thampan's* motion was rejected by 23 votes to 51, the Independents remaining neutral. All other demands were thereafter passed and the House adjourned till the 23rd.

MEDICAL COUNCIL BILL

23rd. MARCH:—*Sir Frank Noyce* introduced a Bill to-day to establish a Medical Council in India, and to provide for the maintenance of a British Indian Medical Registrar. He informed the House that the Bill was circulated to all the local Governments who had accorded their general approval to the principles underlying it and had agreed that it should be proceeded with. The question of creating a central agency invested with some authority to guarantee a uniform minimum standard of qualifications to India and to the civilised world at large had been under consideration for several years but, until recently, there had been no consensus of opinion in favour of the establishment of such a Council.

This had been partly due to the action of the General Medical Council in deciding in February, 1930, to withdraw temporarily, recognition of the medical degrees of Indian universities. By this action the international status of these degrees had been endangered. Therefore, to safeguard this status and to provide for the maintenance of uniform minimum standards of medical education in the country, it had become imperative to resume consideration of the proposal for the establishment of an All-India Medical Council.

The Government of India accordingly convened a conference in June, 1930, to consider the matter afresh. All the local Governments, except Assam, and all the

universities in British India which possessed medical faculties, were presented at the conference which unanimously resolved that the establishment of an All-India Medical Council was essential and acceptable in principle.

SALT IMPORT DUTY

Sir George Schuster next moved consideration of a Bill to extend by one year the operation of the Salt (Additional Import Duty) Act of 1931. This was to ensure the development of the Indian industry and to ensure the stability of prices. Government did not intend to make any change in the level of the import duty at present.

Mr. B. Das criticised the inordinate greed of capitalists of Bombay to exploit the whole of India. He asked Government to bring forward a resolution by which the Provincial Governments would have to spend the money allotted from the protective tariff on salt production or else refund it to central revenues.

Mr. S. C. Mitra said he was not opposed to the imposition of the salt duty for another year.

Mr. G. Morgan moved an amendment so that in the case of Aden the price of salt should be Rs. 54-5 per 100 pounds. He complained that Aden was getting the greater benefit at the expense of the consumer, particularly in Bengal.

Mr. H. P. Mody opposed the amendment. He said it penalised the industry at Aden, which was largely in Indian hands.

Mr. C. C. Biswas said he would prefer Aden salt to Liverpool salt. At the same time, he was against Aden getting undue predominance so as to affect the sources of the salt supply in India.

Sir George Schuster opposed the amendment, which was lost. The Bill was then passed.

TREATMENT OF WOMEN POLITICAL PRISONERS

The House next proceeded to discuss *Sardar Sant Singh's* adjournment motion over the treatment of women political prisoners of Delhi when they were transferred to a mixed jail in the Punjab.

Sardar Sant Singh confessed, in the first instance, that he relied on a report which was published in a Delhi newspaper but said he had the facts verified by some eye-witnesses. He did not want the House to take the police inspector's report which must be biased in favour of his subordinates. He complained that prisoners of respectable position like Mrs. Asaf Ali, Chando Bibi and Mrs. Durgadas and Usha Devi were so ill-treated that they, along with others, began a hunger-strike when threatened with transfer to mixed jails. Their request for a transfer to a Lahore female jail was refused. When Dr. Ansari and Maulana Abul Kalam Azad, who were also in Delhi jail, induced them to give up their hunger-strike the prisoners, 16 in number, were put into lorries. Chando Bibi was bruised and she bled. Another was hurt while being pushed into a lorry. One of the women police used a contemptuous term.

Sir James Crerar gave the facts as he had received them from the Chief Commissioner. He said it was found necessary, owing to want of accommodation in Delhi jail and also due to the request of some of the female prisoners themselves, to transfer them from Delhi. One of the prisoners had no objection to a transfer to Dharamsala, but the other 15 went on hunger-strike.

When rations were brought for them they refused to receive them and expressed their determination to continue the hunger-strike and pressed for a transfer to the Lahore female jail. But there was no accommodation available in the Lahore jail and if they were transferred there might have been overcrowding there as well. The superintendent of the jail tried, through Mr. Asaf Ali and Dr. Ansari, to induce them to give up their hunger-strike but it was of no avail. On the other hand, they shouted slogans. They were then placed in lorries. One prisoner got scratched by accident. One of the women police was bitten on the thumb. The Home Member pointed out that Sardar Sant Singh had made no single allegation supported by specific facts of any maltreatment whatsoever. There was no illegality in transferring them from one jail to another. It was impossible for the jail authorities to accede to their unreasonable and impracticable request for transfer only to the Lahore jail.

The women police used the minimum force and behaved with great propriety. Force was used in the last resort, in spite of provocation. The action taken was the only one that could have been taken. Concluding, the Home Member said that women and children had been placed for purposes of propaganda in the forefront of the agitation, regardless of any injury that they must suffer. He appealed to the House not to give this propaganda any encouragement. (Cheers.)

Sardar Sant Singh, replying to the debate, complained that the women prisoners in question were sent to jails commonly used by felons. The women were, therefore, justified in going on a hunger-strike and refusing to go to a jail where there was danger. He challenged Sir James Crerar to show that there was congestion in Delhi Jail while three big apartments were reserved for the conspiracy case approvers.

Sir James Crerar emphasised that there was no evidence that the women police deliberately and gratuitously maltreated those prisoners or used more force than was absolutely required.

The House divided and rejected the motion by 58 votes to 33, nine members remaining neutral. Some of these belonged to the Independent party and some to the Centre party, besides Mr. Kabiruddin Ahmed, who is an unattached member. The Independents who remained neutral included Sir Abdur Rahim, Mr. H. P. Mody, Sir Cowasji Jehangir, Mahomed Muazzam Sahib Bahadur, Mr. Nabakumar Singh Dudhuria and Seth Haji Abdullah Haroon. The Assembly then adjourned.

Bengal Detenus Transfer Bill

24th. MARCH:—After interpellations to-day discussion was resumed on the Bengal Detenus Transfer Bill. *Mr. Sykes* moved an amendment proposing the transfer of detenus to jails in any Governor's province. This was supported by Mr. Mitra, but opposed by the Home Member and rejected by 58 against 34 votes, a number of members, both Independents and others, remaining neutral.

Mr. Mitra then moved an amendment to the effect that the jail rules should include a provision for the grant of travelling allowances to the nearest relations of the detenus twice a year for interview and also provide for the reproduction, as far as possible, of Bengal conditions, specially as regards diet and the manner of cooking food. During the speech he obtained from Sir James Crerar a statement that there were no detenus of any description in Deoli jail.

Mr. C. S. Ranja Iyer supported the amendment pointing out that the detenus were neither anarchists nor terrorists nor revolutionaries.

Sir Abdur Rahim and *Mr. Amarnath Dutt* also supported the amendment.

Mr. C. C. Biswas held the amendment impracticable and said it would be better to leave the matter where it was and accept the Home Member's assurance.

Babu Gaya Prasad Singh said there was nothing unreasonable in asking for travelling allowance and suitable diet.

Sir Cowasjee Jehangir thought that the granting of travelling allowance to relations was justified and if this was done Government would be helping themselves and the Bengal Government of the future.

Mr. S. C. Sen asked: 'When you provide for *salaams* to a jail officer by the detenus, can't you arrange for provision of costs to the relations for interviews and for food according to a Bengali's requirements?' He added the detenus were not prisoners.

Mr. Ahmed Nawaz opined that they would be indirectly encouraging terrorists or the civil disobedience movement by granting these comforts. Already the detenus procured in jail opium, tobacco, etc.

The Home Member, while not accepting the amendment, did not withdraw any of the assurances he gave at various stages of the debate. He repeated the assurance that every endeavour would be made to introduce as far as possible the conditions obtaining in Bengal in respect of diet, etc. So far as detention in places which are centrally administered was concerned, rules would be drawn up which would give effect to these conditions and Bengal food would be provided besides indoor and outdoor games. If any members were willing to give useful suggestions in this respect, he was prepared to receive them, as the rules were still under preparation. He gave a further assurance that as electric fans could not be had in Deoli punkhas would be provided during summer. To those who wanted to interview the detenus, Sir James Crerar could not undertake to pay the travelling allowance, as it was not

an obligation which any part of India was prepared to accept. He did not think that the Bengal Government should be under statutory obligation to make payments which would have to be defrayed by the taxpayers of Bengal.

The House divided and the amendment was lost by 43 against 50 votes.

INSPECTION BY M. L. A.'s

Mr. S. C. Mitra next moved another amendment urging periodical examination of the detenus by a committee of the Assembly to report on the suitability of the place of detention and the general comfort of detenus to Government. He said the present unofficial visitors to jails were persons whose reports were subjected to much public criticism. It was in the interest of Government that members of the Assembly be selected for visiting jails.

Mr. Ramaswami Mudaliar urged the Government to accept the amendment as otherwise they would be lending themselves to the criticism that they were not too enthusiastic about the comforts of the detenus. Visits by an Assembly committee would enable the members of the House to appreciate the real facts of the conditions in the detention camps, and there would be no room for the wrong allegations (according to the Home Member), which occasionally appeared in the press.

Dewan Bahadur Harbilas Sarda and *Mr. C. C. Biswas* further supported the amendment, the latter demanding its acceptance as it would produce a moral and psychological effect on the people.

Mr. Amarnath Dutt said these amendments were necessary in the interest of the maintenance of British rule.

Mr. K. C. Neogy broke his silence in the debate owing to the piteous appeals made by Mr. Mudaliar and Mr. Biswas to Government. He thought it was no use trying to soften the stony hearts of the Government members. The best method of dealing with the Government members was to throw out the measures. Mr. Amarnath Dutt had referred to censorship of messages. Mr. Neogy said this might have been the cause of nothing appearing in the papers about the incident which happened on March 8 at Hijli. The information that had reached him was that the trouble there was very serious.

Mr. C. S. Ranga Iyer said the Opposition's duty was to move reasonable amendments and put the Government in the wrong if they chose to oppose them.

Sir James Crerar said that inspection by an Assembly committee was impracticable. The amendment was lost by 53 against 42 votes.

Mr. Patil moved the omission of clause 4 which bars the High Courts from exercising their powers under section 491 of the Civil Procedure Code.

Mr. Lalchand Navalari characterised this as a most important amendment and argued that no legislation could take away the fundamental rights given by the common law. The Bombay and Madras High Courts had held that view and only the Calcutta High Court had held otherwise.

Mr. Biswas—The Law Member himself argued the case

Mr. Navalari—Then the Law Member is prejudiced. (Laughter.)

The Law Member—Now it is the view of that court.

When legal argument in this strain was going on and Mr. Navalari said that the Law Member had lost the case he had put up and the Law Member replied : 'Not so easily' and Mr. Navalari retorted : 'I know the obstinacy of the other side', Sir Cowasji Jehangir asked the President : 'Sir have we become a High Court ? I want your ruling'.

The President—The Hon. Member has sufficient intelligence to answer the question himself.

The Law Member—We have had plenty of politics ; let us have a little of law.

Mr. Navalrai had not concluded when the Assembly adjourned till the 29th.

29th. MARCH :—Resuming the debate on the detenus Bill when the House met to-day after the Easter recess, *Mr. De Souza* felt that there was a legal anomaly in that detenus under the Bengal Act could not re-open their case under a writ of Habeas Corpus whereas in the High Courts of Bombay and Madras this right was preserved to accused persons. In the absence of a Supreme Court the Government would facilitate unanimity of decisions between the three premier High Courts in India if this right was permitted in Calcutta also. The Government would be adding moral support to their policy of repression if they provided proper safeguards against this apprehension.

Mr. C. C. Biswas said that the legal aspect could not be easily dissociated from political aspects. It was quite open to the legislature to restrict the Habeas Corpus right and no useful purpose could be served in questioning that right. What the House was to consider was what would be the effect of enacting the clause under discussion. He did not think any risk would be run by placing evidence before the High Court in cases where detention proceedings were challenged. If the Government persisted in enacting it the result would be unpopular. He asked, was it right of the Government to disregard all opposition even when it was reasonable?

Sir B. L. Mitter said that it was apparent that the object of the Bill was to substitute executive judgment for judicial judgment owing to the compelling necessity of the situation. The Bengal Council had by an overwhelming vote passed legislation but it could not limit the powers of the High Court. Was this House going to deny to Bengal the assistance it wanted temporarily to crush the terrorist movement?

Mr. S. C. Mitra :—This is not the way to crush the terrorists.

Sir B. L. Mitter : “We consider this is one of the methods, but my point is that the House, if it did not like the principle of the legislation, could have thrown out the Bill when there was a motion for a select committee. But then it accepted the principle”. The Law Member declared that most of the discussion was academic. Whether the provision was *ultra vires* was not for the House to decide. If any High Courts possessed any power other than those given by sec. 491 those remained untouched. Let those who believed these existed try their legal remedy. He also made it clear that even under sec. 491 High Courts would not send for records but would only see whether a person was legally in custody. This the Government wished to avoid as it would lead to the disclosure of evidence of sources of information. The House has passed a similar provision in 1923 and 1925. The Law Member said the provision was thus not new.

Mr. S. C. Mitra said that every well-governed administration depended on a due balance of power between the legislature, the judiciary and the executive. The Government has already crushed the legislature by ordinances and wished now to crush the judiciary. Why was an apology of temporary legislation put forward when power had been possessed for seven years and wanted for five years more. He challenged the Home Member to state outside the House that every detenu was an inveterate terrorist and not to take shelter behind the privileged position in the House and then face a court of trial. He warned that the foundations of British rule on justice were being shaken.

Sardar Sant Singh said that if the Assembly was merely to give the power wanted by the executive then they might all disperse. The House must see that the executive worked under a civilized system.

Sir James Crerar opposed the amendment pointing out that clause 4 was very important in the whole Bill. He asked the House to realise the responsibility and discharge its duties by rejecting the amendment which, if passed, would prevent the local Government from exercising its powers under the local Act.

The amendment was lost by 33 against 53 votes.

Rao Bahadur B. L. Patil moved another amendment that clause 4 shall be in force for one year only. This was also lost.

Mr. Seetarama Raju moved an amendment that at the end of clause 4 the following proviso should be added :—“Provided, however, that the procedure laid down in the Act has been complied with”. He said that if the Government wished that no law should be respected by their executive then let them suspend all laws. This proviso was the acid test of the *bona fides* of the Government whether they wanted that this Act should be administered without a remedy against illegal detentions or not.

The debate on this was not concluded when the Assembly adjourned for the day.

30th. MARCH :—Resuming the debate to-day *Mr. Ramaswami Mudaliar* said that this was a limited amendment and a most reasonable one. It was, for instance, required by the bill that a certain police officer could detain a person under this legislation only for 15 days. Supposing he detained him for more than 15 days and thus a breach of this law occurred, then the High Court should be free to intervene. If the Government had any imagination they should accept this amendment, for let them not make the world feel that behind their action lay

the spirit of vindictiveness and not justice. He had watched the proceedings of the Bengal Council when the bill on the subject was passed and he was impressed by the statement of Mr. J. L. Banerjee that terrorism could not be stamped out by public denunciation but by denunciations at their homes and social gatherings. 'Let me make this final appeal to the Government. It is not an appeal of mendicancy. The very name of our party shows that is not our policy, but I have taken an oath to my king and country to do my duty, and in the discharge of that duty let me tell this Government that by defeating these amendments they are making mistake after mistake and that they are alienating the sympathy of the best and the most moderate and the wisest in the land by regimenting their majority to crush every amendment irrespective of the strength or weakness of its cause. Wisdom lies in whittling the bill here, amending it there and carrying it with the unanimous vote of the House. Let me make a special appeal to the European group, because in this topsy-turvy world their word carries weight with the Government and not ours. By using the weight of your votes with the Government you are not killing terrorism; you are driving out all fair-minded men from your fold, and let me warn Sir James Crerar that if he is giving this parting gift to India, I am not sure that he will not repent when he sees the result. You must have moral sanction behind you, and no wonder the law has so far failed to be effective in Bengal.'

Sir James Crerar said that the amendment was not innocuous or trivial; it went to the root of the whole matter. He said the amendment did not mention to which Act it applied.

Mr. Raju.—It applies to the Bengal Criminal Law Amendment Act.

Sir James Crerar said that then the result of this amendment would be to thwart the operation of the very section in the Bengal Act which had on frequent occasions enabled the executive Government of Bengal to prevent the commission of terrorist outrages. The provision which the amendment contemplated did not appear in the original Act, and if it was put in the supplementary bill the normal interpretation would be that it imported something new, something material and something substantial. The courts would certainly go into the merits of the suspicion.

Sir Abdur Rahim.—The High Courts discriminate every day between questions of procedure and merit, and they can be left to do that.

Sir James Crerar.—The two questions are closely connected, and a serious responsibility would fall on us if we authorise that action.

Sir James Crerar said it was open to any one to petition the local Government, and let them not question the good faith of the local Government and its officials. He assured the House that there was no obstinacy in his attitude, but that he could not seriously endanger the whole validity of measures by accepting the amendment.

Mr. Raju's amendment was then put to the vote and rejected by 50 to 45 votes.

LIFE OF BILL LIMITED TO THREE YEARS

Mr. Raju next moved that the bill's life be limited to three years.

Sir James Crerar opposed the amendment as it would cause serious inconvenience if they did not make its life co-terminous with the life of the local legislation.

The amendment was put to the House and carried by 52 to 41 votes, this being the first defeat of the Government over the provisions of this bill.

Sir James Crerar then moved the third reading of the Bill. He said he regretted that during the last days of his membership of the Assembly it fell to his lot to pilot this bill during the nine days of the debate on it. Though the task is unpleasant, the refusal to do it would be to decline to discharge his responsibility. He hoped the House too would be prepared to recognise and discharge its responsibility in assisting the local authorities by legislating on matters within the competence of the central legislature.

Mr. Ranga Iyer opposed the motion. He said he had refused to serve on the select committee because he was opposed to its principle. Documents which could not be produced were dead documents, and he must presume the innocence of all the detenus. Terrorism had created a grave situation, a graver situation was being created by sending away the detenus to Ajmer.

Mr. K. C. Neogy said the last amendment limiting the life of the bill to three years was a trap into which the Opposition had fallen. The Government wished to show that it had not succeeded in defeating all the amendments. 'It pains me, who has been in all the four Assemblies, that a bill which was not passed by three

Assemblies should be passed by this. If detention without trial had not helped you, neither will banishment help you. Violence begets vengeance and vengeance begets violence and in this vicious circle the Government and the terrorists are moving. While condemning terrorism we cannot permit Government terrorism.' He recalled how Sir Hugh Stephenson in 1925 admitted that Mr. K. K. Mitter and others who were detained under the regulation in 1908 were so detained not because of terrorist activities but because they were carrying on boycott propaganda and organizing volunteers. This is the kind of evidence on which the Government acted. He opposed the Black Bill.

Mr. S. C. Mitra said that Sir James Crerar would be remembered longer than Sir George Rainy because of a series of ordinances and obnoxious and mischievous measures for which he was responsible. On the eve of his departure he had broken the hearts of many unfortunate families in Bengal. Let him have peace. He contended that the drastic measures of the Government for the past seven years had obviously failed in the object, but on the other hand terrorism was increasing.

Sir Cowasji Jehangir warned the Government that it could not rule India by these methods. India was a sentimental country and if the Government disregarded sentiment and rested its case on logic it would not succeed.

Mr. Moore said that Mr. Neogy had said about vengeance and violence, but did he remember that after the Irwin-Gandhi pact terrorism increased and the result was the greatest number of outbreaks of violence known in this generation.

Mr. Neogy—What about official terrorism?"

Mr. Moore: Official terrorism was represented by the release of political prisoners except those who could not be released without danger to peace.

Mr. Neogy: What about the Black and Tan regime of your community in Chittagong? I am prepared to substantiate that.

Mr. Moore: My hon'ble friend is taking up a different attitude from that of Mr. Mitra. My point is that we are facing in Bengal a terrorist movement which aims at terrorising the courts. We have had a judge murdered in the open court and a witness murdered and a prosecuting officer seriously wounded. Don't confuse the issue more. I contend we cannot deny that in the present situation the Government is justified in asking for these powers.

Mr. A. N. Dutt said that he had every respect for Sir James Crerar's person but there was something wrong with his head. (Laughter). (Neither the Assembly nor the Bengal Council were representative of patriotic men. (Ironic! hear, hear).)

Mr. A. N. Dutt said that it was only the foreigner's life that was in danger. Why did they not take shelter in forts and thanas?

The closure was applied and carried by 51 to 29 votes.

Thereafter *Sir James Crerar* replying to the debate regretted he had been accused of want of sympathy. It was also a matter of regret that it had been suggested that the whole policy of the Government was involved in the general political situation in that province. On the contrary the policy of the Government had been to help in the political advance of the country. The House ought to regard the views of the Bengal Government and the Council with due respect.

The House divided on the motion that the Bill as amended be passed and Sir James Crerar's motion was carried by 54 against 37 votes amidst cheers and counter-cheers. The House then adjourned.

HAJ PILGRIMAGE BILLS

31st. MARCH:—After interpellations to-day, *Sir Frank Noyce* introduced a bill to establish committees in the principal ports of pilgrim traffic to assist Muslim pilgrims to the Hedjaz. He said the bill was in pursuance of the recommendations of the Haj Committee, which proposed that central legislations should be undertaken for the purpose of converting the Haj committees at Bombay, Karachi and Calcutta into statutory bodies, revising their constitution and widening their powers and functions.

Sir Frank Noyce also introduced a bill to regulate the activities of persons in British India who offer to assist Muslim pilgrims to the Hedjaz. He said this bill was intended to replace the Bengal and Bombay Acts by an Act of the Indian Legislature requiring all pilgrim brokers and their agents to obtain licenses to carry on their trade. This was also in pursuance of the recommendations of the Haj Committee.

There was no discussion on these two motions, which were agreed to.

Foreign Relations Bill

Sir Evelyn Howell then moved the consideration of the Foreign Relations Bill, as it emerged from the select committee. He said that in September there was a consensus of opinion in the House that the Government should take an early opportunity of stamping out libel on foreign states. The scope of the present bill affected only contiguous states. Personally, he would have preferred the preamble of the bill in its original form, but he accepted the change made in the select committee provided it was understood that the whole bill was not rendered nugatory by making it impossible for any prosecution ever to succeed, because he wished to emphasise that there was a real danger. Its scope was now confined to defamatory articles against the rulers of a certain small number of states whose territories adjoined the land frontiers of India and certain persons in close connection with those rulers either as members of their families or as the principal ministers of their Governments. It placed the rulers of these states on precisely the same footing regarding defamatory articles as private British subject except that the Governor-General would take action on their behalf. Offences under this bill fell within the established code and procedure with the exception that, whereas in the Penal code it could be only simple imprisonment, here it might be either simple or rigorous. With this exception, the bill was in general conformity with the principles of the English common law, and statutes resembling it were enforced in nearly all the civilised parts of the world.

Dr. Ziauddin moved that the bill, as reported by the select committee, be circulated for opinion by Aug. 1. He referred to *Sir George Rainy's* promise on the last occasion that if the bill was referred to a select committee then it would be circulated by executive order for opinion.

Sir Lancelot Graham and *Sir Evelyn Howell* informed *Dr. Ziauddin* that this precisely had been done and that the opinions received from High Courts and bar associations had been placed before the committee.

Proceeding, *Dr. Ziauddin* agreed that the bill as it emerged from the committee was a very much modified one, but he wanted to know from the Foreign Secretary whether a person who criticises the ruler of an adjoining territory for any action taken by him in respect of the Muslim religion would be proceeded against. Whatever be the reply, *Dr. Ziauddin* thought that the bill at this juncture would create a wrong impression in the public mind that the Government were out to muzzle the press and the public.

Sir Abdur Rahim supported the circulation motion of *Dr. Ziauddin* because the bill, as it had emerged from the select committee, was a different one from the bill introduced and created a new offence which could not be discussed fully at the far end of the session. If they wanted a bill of this character, then they must limit it to cases of defamation. The Penal Code was comprehensive enough to take cognizance of any such offence. The framers of the Penal Code, who had received the encomiums of the juristic part of the world, had deliberately refrained from including any such provision as was sought. It was difficult to define defamation when it was particularly against rulers in the East. (Laughter.) *Dr. Ziauddin's* speech indicated that only Muslims in India would be affected, but that was not the case. Most of the rulers of the adjoining territories were Muslims, and therefore it was likely that Hindus might be accused persons rather than Muslims.

Mr. Seetharama Raju said the bill was neither fish nor flesh nor good red herring. It was neither in accordance with the practices of civilised countries nor in consonance with international law. The House had from the beginning been opposed to the principle of the bill, which was not legal but political.

Mr. Ranga Iyer was opposed to recirculation because the present bill was a great improvement on its predecessor. If any further improvement was needed it could be made on the floor of the House. He did not commit the Nationalists by his views.

Mr. Yamin Khan said that no religious objection could be taken to the bill, which had been considerably modified.

Syed Murtaza said that the liberty of the press was already curtailed and this would take it away further.

Mr. Anklesaria said the English law penalized such writings and it was not obsolete as the last prosecution in England took place in 1905 and not a century ago as *Mr. Raju* had stated.

Mr. Gaya Prasad Singh said that he, as a member of the select committee, was a party to removing most of the objectionable features of the bill. If they had

committed a mistake he would gladly change his opinion, but he thought that no purpose would be served by recirculation.

Mian Muhammad Shah Nawaz, speaking from the point of view of the Frontier Province, emphasised that such a bill was most vital for maintaining friendly relations with their neighbours.

Mr. Lalchand Navalrai explained that the opinions promised by the Government had been obtained and spoke at length on the various objectionable provisions of the bill and how changes had been made by the select committee.

Sheikh Sadiq Hassan said the Government were becoming daily more and more irresponsible and desirous of curtailing liberties through such absurd measures. This was possible only because the best element in the country was non-cooperating with the Government.

A voice.—We are quite representative.

Sheikh Sadiq Hassan.—If the radicals had stood you would have little chance; at any rate if the radicals had been here the Government would have felt restrained in bringing forward such silly measures.

Sir Evelyn Howell, replying to the debate, said that no technical or constitutional reason had been given to justify the need for further circulation. He assured the House that there was a real need for the measure. He gave instances of how the Foreign Relations Ordinance promulgated last year had enabled the Government to have the *Zamindar* of Lahore convicted thrice and its editors imprisoned, how the *Kesari* apologised and other newspapers were punished. The result was that since the Ordinance terminated the newspapers had been quiescent, but that was because the Government had taken firm steps at once to stop this mischief. He assured *Sir Abdur Rahim* that the bill did not create a new offence. 'It does nothing but make a slight alteration of the procedure whereby persons hitherto debarred from access to our courts can have the remedy which law provides for all and sundry.' As regards Aden and small protectorates, he was prepared to meet *Sir Abdur Rahim's* objection by omitting Aden from the list if such an amendment was moved.

Continuing, the Foreign Secretary said that *Mr. Raju* had quoted from the writings of an obscure writer in England in 1904 who had suggested the wiping off of the German fleet and that from that day the German Emperor was angry, and had said that the British Government took no action. *Sir Evelyn Howell* commented: 'I submit that if that writer had been muzzled the Great War might perhaps have been deferred.' ('Hear, hear' and laughter.) *Sir Evelyn* said a speaker had quoted from a civilian's opinion that libels on the Boer President were allowed, but did not quote further that it had led to the Boer War. He asked: 'Which is the greater evil: to have unnecessary war or muzzle an ill-informed journalist on one occasion and one subject which does not concern him and which he does not understand?'

He held that the amendments made by the select committee met the objections of that civilian and of the chief presidency magistrate of Madras. Similarly, *Syed Murtaza* had quoted the objections of the Shia Association, but these had been met because the Hedjaz had been excluded. He assured the House that foreign rulers, being human beings, would not care much about attacks on their third or fourth cousins or minor officials, but the consequences would be dangerous if on any occasion an attack was made and the Government of India said they had no power to intervene. The ruler might turn round and say that when an Indian visited that land he would see they were not comfortable. There was such a possibility and he hoped the House would reject the amendment.

The House thereupon rejected the amendment and agreed to take the bill into consideration.

AN OFFICIAL AMENDMENT

The *Foreign Secretary* then moved an amendment substituting in place of clause 2 the following:—

'Where an offence falling under Chapter XXI of the Indian Penal Code is committed against a ruler of a state outside but adjoining India or against any member of his family or against any minister of such ruler and in the opinion of the Governor-General in Council the maintenance of friendly relations between His Majesty's Government and the Government of such state may thereby be prejudiced, the Governor-General in Council may make or authorise any person to make a complaint in writing of such offence, and notwithstanding anything contained in sec. 198 of the Code of Criminal Procedure, 1898, any court competent in other

respects to take cognizance of such offence may take cognizance thereof on such complaint.'

Dr. Ziauddin, opposing the amendment, said the Foreign Secretary himself had admitted that since the expiry of the Ordinance there was no offence committed by anybody. It would be unwise on the part of the Government to displease their own people in order to please a neighbouring country.

The Assembly at his stage adjourned.

1st. APRIL :—Resuming the debate to-day *Mr. C. C. Biswas* said that it was admitted that no question of international law was involved; then the reason shown in the new clause was utterly groundless. Why should the Government have any thing to do with any person who was outside British India and was not likely to come over to this country to seek a remedy? There was also the danger of imputing the motive of favouritism on the part of the Governor-General in Council towards any ruler.

Sir Abdur Rahim asked why there should be any difficulty on the part of a foreign ruler or his representative to make a complaint in a British court personally or through some representative if he had a grievance against any journal or citizen. Once a complaint was made, by whomsoever it may be, the whole question was open to be decided whether a writing or utterance was likely to prejudice foreign relations or not. It was too much to accept the position of solicitude on the part of Government to assume to protect the reputation of a certain foreign ruler or his minister or a member of his family. It would be more disastrous if the Government were to penalise reasonable criticism from the public point of view.

Mr. Gaya Prasad Singh thought the best authority to decide whether a particular action was an offence or not was the court. It would be dangerous to give the executive the power they asked for because they were always reluctant to lay the cards on the table and relied mostly on one-sided evidence.

Sir Lancelot Graham thanked *Mr. Yamin Khan* for having changed his view in favour of the amendment. By passing the bill they were not adding any new section to the Criminal Procedure Code. The question was a simple one. It was not a question of any foreign ruler or individual being defamed or prejudiced, but it was for India's own safety and friendly relations with her neighbours that the Government of India must put a check to an offence which was likely to or would disturb the peace. It was most difficult, and practically not possible, for any aggrieved foreign ruler or his representative to lodge any complaint.

Mr. Wilayatullah considered legislation unnecessary as under it any person would be improperly put to grave danger on mere legal presumption.

Sir L. Graham interrupted and said that there was no presumption. It was clear that a person would be proceeded against for a definite libel only.

Mr. Wilayatullah said that any article could be constructed to be libellous and so it was unjustified. The bill before the House was extraordinary, and the proposed amendment would do away with the only relieving feature in the bill. It was the experience of every one that whenever a prosecution was instituted there was sure to be a conviction.

Sir B. L. Mitter was surprised at the alarm expressed by some members over such an innocuous measure. Any prosecution would be a very simple one. Before conviction it must be proved whether a particular criticism was *bona fide* or the accused person had any wrongful intention to defame. It was only when defamation was likely to disturb friendly relations that the Governor-General-in-Council could take action. They were doing nothing new or dreadful.

In reply to *Mr. Munshi's* question the Law Member admitted that prosecution depended on the discretion of the executive Government. However, there was enough safeguard provided that no prosecution would be launched unless the Governor-General was satisfied that friendly relations with a particular foreign ruler were prejudiced. It was open to the court to decide whether the offence implied elements of imputation, publication or any wrongful intention on the part of the accused.

Sir Abdur Rahim,—Including the element that the article is likely to disturb friendly relations?

Sir B. L. Mitter,—That does not come under the element of defamation.

Mr. Munshi said that if they were to rely upon what the Law Member had said then where was the necessity for words which served no purpose in the clause.

The Law Member, intervening, said that those words were necessary in the interest of the accused.

Mr. Munshi was surprised to see the Government more solicitous to the accused than the representatives of the people. By this enactment, he said, the Government was placing the courts in the strange position of having to decide whether the opinion of the Governor-General that the maintenance of friendly relations between his Majesty's Government and the Government of a state would be prejudiced was justified or not. He appealed to the Government to agree to the deletion of those words so that the offence might be simply one of defamation.

Mr. Azhar Ali opposed the amendment on the ground that there was no justification for the Government to spend unnecessarily on litigation to promote or maintain friendly relations with foreign rulers. The Government's object was not so much friendly relations as the suppression of free expression of opinion.

Sir Abdur Rahim moved the deletion of the words pointed out by *Mr. Munshi* in clause 2.

The Government accepted the deletion.

Mr. Yamin Khan next moved the addition of an explanation that for the operation of the bill Aden would be excluded from India.

This amendment was carried, as also another amendment omitting clause 3 in respect of trial courts.

The *Foreign Secretary* then moved an amendment which substituted the words to which objection was taken and which were later on omitted by *Sir Abdur Rahim's* amendment.

Mr. Munshi pressed that those words should be retained in no part of the bill as it would seriously prejudice the accused.

The House then agreed to postpone further consideration of the bill till the next day by which time there might be a proper understanding as to the wording of the remaining clauses to be discussed.

SUGAR PROTECTION BILL

Sir George Rainy then moved the consideration of the Sugar Industry Protection Bill. He explained the salient features of the changes made by the select committee and pointed out that the industry would be protected till March, 1946, and that till 1938 the basic duty of Rs. 7-4 per cwt. would be maintained and that thereafter there would be an enquiry, not to decide whether there should be protection, but to decide the rate at which the protective duty should be fixed. Meanwhile, if there were any changes in prices at which imported sugar was sold which would impair the effect of the protection now proposed, then the Government would increase the duty to the extent justified. *Sir George Rainy* drew pointed attention to the facilities proposed for research as a means of developing the industry.

Mr. Sykes (European, Bombay) moved an amendment for the postponement of the bill till the September session in Simla. He explained how it was not possible to obtain the opinions of *gur* manufacturers in the short interval that the bill was in the select committee. Even till to-day the opinions of *gur* manufacturers, who were principally concerned, had not been sufficiently obtained to enable a decisive view being taken. The high rate of duty on sugar had led to a decrease in consumption, which in certain cases was made up by the fall in prices. Already there was effective protection in the Finance Act, together with a surcharge of 25 per cent. and therefore nothing would be lost by postponing the consideration of the measure till the Simla session.

GOVERNMENT'S ATTITUDE ON REFORMS

The clock now struck 4 and the adjournment motion on Government's attitude on Reforms was taken up. *Sardar Harbans Singh* moved :

"The House do now adjourn to discuss the unsatisfactory reply of the Government that they would expedite reforms with Mahatma Gandhi in jail."

The mover said that so long as repression continued reforms would not be acceptable to the majority of the Indians, and even if put into force, would never work. He referred to *Mr. Benthall's* statement, from which it appeared that there was a serious conspiracy to put Mahatma Gandhi in jail and to thwart India from getting real responsibility.

Mr. B. Das said that when Mahatma Gandhi was arrested the public suspected that there was some conspiracy behind it in England and India. *Mr. Benthall's* statement had proved it.

The *President* asked the speaker not to refer to the circular but to confine himself to the subject of the motion.

Mr. B. Das said that it was apparent that while Mahatma Gandhi was carrying on negotiations, plans for his arrest and for fighting the Congress were, being laid deep. He would rather have the reforms postponed and let the die-hards have their full way. He expressed indignation at Mr. Benthall's remarks about Mahatma Gandhi's constructive vacuity of mind when Mahatma Gandhi was so much respected by his countrymen as perfect and a superman. He also characterised as false the statement that Mahatma Gandhi and the Federation of Indian Chambers were all allied to down British commercial interests. He said that without peace with Mahatma Gandhi no progress was to be ensured for all their earnestness in hastening reforms. (Laughter.) He could not help feeling that this debate on April 1 had something to do with that. (Renewed laughter). Mr. B. Das censured them for a conspiracy as disclosed by Mr. Benthall's circular. Although this circular had been issued by the Royalists Association.....

The member had not completed the sentence when the *President* declared that the circular could not be discussed. The narrow motion was to censure the Government that they were keeping Mahatma Gandhi in jail and hurrying the reforms so that the reforms required by India may not be conceded. The accused was the Government. (Applause on the Opposition benches and laughter).

Mr. Moore said that Mr. Benthall had communicated to them that the circular was accurate in substance and was in no sense secret.

As Mr. Moore was proceeding the *President* said he could not allow the circular to be discussed.

Mr. Moore said that he wished to repudiate the charges made by Mr. B. Das, but resumed his seat in view of the *President's* ruling.

Mr. Seetharam Raju said that he never was a Congressman nor did he entirely accept their programme, but still if there was to be a satisfactory solution acceptable to all then that could be obtained only by the co-operation of all progressive parties in the country.

Haji Abdulla Haroon opposed the motion and said that any Government worth the name would have done the same in the face of the ultimatum issued by Mahatma Gandhi soon after his return to India from the Round Table Conference. No one would object to the proposal of Mr. Raju that the cooperation of all parties should be secured for solving India's problem. If the Government had kept quiet without any effort to give reforms, even then the same members who had raised the question to-day would say that the Government were not enthusiastic about reforms to India.

Mr. Jadhav supporting the adjournment sympathised with the Government members as to how they were mere puppets in the hands of the Great Moghul in Whitehall. Events for the past ten years had been undermining what little trust the people had in the Government. A great revolution occurred in England by which the Conservatives and diehards seized office and since then a deep-laid conspiracy was being hatched to suppress the Congress movement. When the delegates to the Round Table Conference were hearing the Premier's statement there were communications between the Home and Indian Governments to take severe steps to suppress the Congress. When he returned to India he had promised in England to educate public opinion about the good intentions of the Government but events in India read in the light of Mr. Benthall's statement had shattered completely his hopes and disillusioned him regarding the *bona fides* of the British Government's intentions toward India. In whatever way reforms were framed he had grave doubts whether they would be workable with popular leaders in jail.

Sir George Rainy, on behalf of the Government, opposed the censure motion for the Government expediting reforms with Mahatma Gandhi and other Congress leaders in jail. Was it the intention of the Opposition that there should be no expediting of reforms and that Congressmen should continue in jail? Government had a dual policy, that is, putting down of the lawless movement and acceleration of reforms. The Government knew full well that it was no use proceeding with constitutional reforms with Congressmen in jail and that was the reason for the Delhi pact. Then there was the Round Table Conference at which Congress participated, but what happened was known to all. The situation in the United Provinces and the Frontier compelled immediate action on the part of the Government. Government would have failed in their duty if they had not taken the action they did. They were reluctant to take it, but they were compelled by the force of

circumstances in the United Provinces and the Frontier to take it. Otherwise there would have been a catastrophe in which the whole country might have been involved. On behalf of the Government he repudiated any allegation that their action in attempting to put down the pernicious activities of the Congress was influenced in any way by anything that passed in London. As Lord Willingdon stated in the opening speech in the Assembly, Government were determined in seeing that no revolutionary activities hampered the work of reforms. If Congressmen were released now what guarantee was there that it would not lead to the revival of those subversive activities which very nearly brought India to the brink of a catastrophe and India would not be landed back in a worse condition? Concluding, Sir George Rainy struck a personal note on this subject and said that he was not and would not be a party to anything which would seriously injure India's cause. (Applause.)

Mr. C. S. Ranga Iyer agreed that Sir George Rainy was sincere towards India. But what was the use of his or any other member of the Government being sincere when they belonged to a subordinate branch of the British administration and were ordered by Whitehall to act otherwise? What Sir George Rainy did last year in bringing about the Delhi pact had been broken by Sir Samuel Hoare into the policy of expediting of reforms and suppressing Mahatma Gandhi and the Congress as was borne out by Mr. Benthall's letter.

Mr. Arthur Moore objected to the reference to Mr. Benthall's letter which had been excluded from discussion.

Mr. Ranga Iyer said he had a greater authority than Mr. Benthall. It was Mr. Winston Churchill and Sir Samuel Hoare.

Mr. Moore again objected to Mr. Ranga Iyer labouring the same point as Mr. B. Das in suggesting that there was a change of policy after elections when as a matter of fact the Conservative Government carried on the policy of the Socialist Government.

The President pointed out that without directly referring to Mr. Benthall's letter it was open to a member to suggest that the reason why Mahatma Gandhi was in jail was due to a change of Government in Britain after the election in England.

Mr. Ranga Iyer proceeding affirmed that what India wanted was unmitigated reforms besides the withdrawal of the repressive policy. But how could they expect this when Mahatma Gandhi, who was worshipped by the people, was refused an interview by the Viceroy under dictation from Whitehall? Mr. Ranga Iyer advised the Government to regard Mahatma Gandhi as the leader of the right wing.

At this stage repeated demands were made for closure. The President put it to vote. There were 48 for it and 34 against it. About 15 members belonging to the Independent and Central Muslim parties were neutral. When the result of this division over the closure motion was announced Mr. Amarnath Dutt accompanied by Mr. Harbans Singh, Sardar Sant Singh, Mr. K. C. Neogy and Mr. Gunjal walked out. There was no mover to reply to the debate. The censure motion was lost without a division. The Assembly then adjourned.

SUGAR PROTECTION BILL

2nd. APRIL :—Resuming the debate on the Sugar protection Bill to-day, *Mr. B. Das* opposed Mr. Sykes' dilatory motion and wanted Sir George Rainy to leave India after giving more sweets to India through sugar protection. He deplored that the interest of cane growers was not protected and that a cess duty on sugar should be levied to start experimental sugarcane factories for agriculturists. He suggested the issue of licenses for sugar factories and that the Government should share the surplus profits to the extent of the protection given to factory owners.

The President ascertained that an equal number of members were in favour of both postponement and consideration of the bill this session.

Thereupon *Kumar Raghubir Singh* (United Provinces) suggested the immediate consideration of the bill and was glad that the slow moving machinery of the Government of India had after all responded to the call of the agriculturists and supported the bill.

Sir George Rainy, in view of the Assembly's desire to proceed with the bill, suggested expeditious disposal of the amendments.

Lala Hariraj Sarup opposed Mr. Sykes' amendment for postponement, which was lost. Sir George Rainy's motion for consideration was then carried.

Mr. N. M. Joshi then moved a lengthy amendment providing *inter alia* that undertakings engaged in manufacturing sugar should give a declaration, pledging themselves (1) not to pay any fee or an equivalent sum to the shareholders or other participants with limited liability a greater sum by way of annual dividend than what they would get at 6 per cent. on the actual capital invested in the undertaking by the persons concerned; (2) to employ any further surplus in consolidating the position of the undertaking in the manner approved by the Government of India; (3) not to employ any one who is not an Indian except with the permission of the Government of India and (4) to produce a certificate that the labour conditions in the undertaking are satisfactory from a committee of three persons appointed by the Government of India for that purpose. This amendment was supported by *Mr. Thampan* and was opposed by *Mr. S. C. Mitra*, *Dr. Ziauddin Ahmed* and *Seth Abdullah Haroon*, though they sympathised with the object.

The amendment was lost without a division.

Mr. Sykes moved another amendment to provide that whoever in buying sugarcane from a grower of sugarcane pays him a price which is less than 8 annas per maund of 82 7-8 pounds avoirdupois, shall be punishable with a fine which may extend to Rs. 2,000 for each offence.

This was lost after brief opposition speeches.

Sir George Rainy then moved the third reading that the bill be passed.

Mr. B. Das, *Sir Abdur Rahim*, *Mr. Ranga Iyer*, *Mr. Yamin Khan* and *Mr. Morgan* all joined in congratulating *Sir George Rainy* for his genial spirit and for having introduced and established parliamentary practice in the Assembly. The bill was then finally passed.

Foreign Relations Bill

Sir Evelyn Howell moved a revised amendment to alter clause 3 of the Foreign Relations Bill as follows:—"The provisions of sections 99-A to 99-G of the Code of Criminal Procedure of 1898 and of sections 27-B to 27-D of the Indian Post Office Act of 1898 shall apply in the case of any book, newspaper or other document containing matter which is defamatory of a ruler of a state outside but adjoining India or of any member of the family or of any minister of such ruler and tends to prejudice the maintenance of friendly relations between His Majesty's Government and the Government of such state in like manner as they apply in the case of a book, newspaper or document containing seditious matter within the meaning of those sections.

Mr. Jahangir K. Munshi opposed the whole clause because that would place foreign rulers in a privileged position against our own subjects.

Sir Lancelot Graham explained that this clause would enable the Government to stop any book or publication which contained poison, the dissemination of which would create contempt of our friendly relations with neighbouring states.

Mr. Yamin Khan thought that the clause was necessary as a precautionary measure against any evil that might follow if such publication was not checked.

Mr. Maswood Ahmed supported the amendment, by which there would be only forfeiture of publication instead of prosecution.

Mr. Amarnath Dutt declared that personally he was opposed to the principle of the bill which restricted liberty of person and freedom of speech, but once they were agreed that they required legislation of the kind then they must have it as India was surrounded by barbarous nations.

The amendment was carried by 54 votes against 18.

The Foreign Secretary then moved the third reading of the bill, as amended.

Sir Abdur Rahim said that owing to their strong and united opposition the bill was amply modified, but still the measure was a very dangerous one. It curtailed liberty of the press and freedom of speech. Again, the accused were not given an opportunity to disprove their guilt. It was an established practice in every country that the press was allowed to express opinions on foreign affairs which helped the Government of the country to form their own attitude. He would not be a party to do anything against their intentions to establish the same practice in India also.

Mr. Sitaram Raju opposed the entire bill which penalised the Indian people when there was no reciprocal understanding with the foreign states. The bill was very drastic in character in spite of the modification and was not amenable to public opinion in India for it aimed at muzzling the public press.

Eyed Murtaxa Sahab thundered that they would go against the bill in spite of its existence and would publish or write anything if they found any foreign ruler

acting against the principles of *Sariat*. The Government had taken undue advantage of the Assembly when it was thin to pass a distasteful and unwanted measure.

Replying to the debate, the *Foreign Secretary* on behalf of the Government gave the fullest assurance that the bill would be very cautiously applied and no prosecution would be launched unless they had fully explored the consequences of their action. The House divided and the bill was carried by 48 votes against 18. The Assembly then adjourned till the 4th.

INDIAN AIR FORCE BILL

4th. APRIL :—The House met to-day to consider official legislative programme. Mr. Macworth Young moved the consideration of the Indian Air Force Bill as amended by the select committee. He referred briefly to the changes made in the bill and said the definition of domicile had been so put as to make the force genuinely Indian and that at the same time statutory provision had been made too difficult for the recruiting officers to act under it.

Mr. S. C. Mitra moved postponement of the bill. He said the House had ceased to be representative and appealed to the Chair to adjourn it *sine die*. On the Government benches, he said, only one member was sitting, while the Opposition leader and the European leader had left Delhi.

The President said he had a clear answer to what his position was on the question of whether the House was representative or not. There was a clear ruling of President Patel given on the occasion of the Swarajist walk-out and modified the next day. The position of Mr. Mitra was that a large number of members were not present either throughout the session or had left. The failure to discharge the obligation is a matter to be taken note of by the electors. (Applause). The President continued: 'The hon. member has drawn attention to the point that a controversial measure should not be brought before the House at the last moment. The Chair is bound to protect the dignity, rights and privileges of the House. If the Government ever attempted any such thing without adequate reason, the Chair will take care that the House is not forced to discuss it, but if the hon. member expects the chair to have any sympathy for the members who take any amount of trouble and expense to get elected and do not attend the session, the Chair has no sympathy for them.' (Applause.)

Mr. Mitra, in view of the Chair's remarks, withdrew his motion.

Capt. Lalchand then spoke supporting consideration of the Air Force Bill as it was an earnest of the sincere desire of the Government to respect Indian aims and aspiration.

Babu Gaya Prasad Singh gave whole-hearted support to the bill and was happy that the force would be confined to persons mainly of Indian extraction.

Mr. S. C. Mitra said he was not opposed to the bill, but thought it was too important to be discussed in a thin House. He feared that the army tradition of recruiting the less educated and less cultured of the martial races might be followed.

Dr. Ziauddin Ahmed and Mr. Ranga Iyer supported the bill. The latter congratulated the Army Secretary on putting the measure on the statute book before leaving the Army department.

Mr. Young said the bill was a matter of great satisfaction to the Government and himself. The bill was then finally passed.

BROADCASTING BILL

Sir Joseph Bore next moved the consideration of the Broadcasting Bill increasing the import duty on wireless reception articles. He corrected a mistake in the statement of objects and reasons of the bill and said that the gap was to be made up through the customs receipt and other revenues and not merely the customs receipt. He said Broadcasting in India had a melancholy financial history, but its popularity was shown when the retrenchment proposal roused opposition from various quarters. He said they had ruthlessly pruned the expenditure, but a gap of Rs. 60,000 still remained to be covered. They stood better as compared to company control whose losses in three years were heavy. He was confident of a great future for broadcasting in India. After two amendments by Mr. Jog were moved and defeated the House passed the bill.

BILL TO VALIDATE SUITS RE. ENDOWMENTS

The House then took up, on the motion of Sir Lancelot Graham, the consideration of a bill to validate certain suits relating to public matters as passed by the Council

of State. *Sir Abdullah Suhrawardy* said the bill was most controversial and should be postponed to the Simla session. He moved an amendment accordingly.

Dewan Bahadur Harbilas Sarda supported *Sir Lancelot Graham's* motion, while *Mr. B. Das* supported postponement.

Sir Abdullah declared that the proposal was without a precedent. The House was being asked to give retrospective effect so that a number of parties in the suits now before the courts might win the cases. Could the House sit in judgment on the Privy Council and constitute itself as a court? The bill certainly required more serious consideration and should be taken up to Simla.

Sir B. L. Mitter said the matter was not only serious, but urgent. For half a century the Government and all the courts in the country had followed one procedure, which the Privy Council had now declared wrong. All classes had been filed in the honest belief that the old procedure was right. The result of the failure of the legislature to act now would be to make hundreds of receivers of public and charitable institutions to hand over the property back to fraudulent trustees. The Crown being the protector of public charities, it was up to the legislature to intervene. He contended the House was not sitting in judgment on the courts, but was rescuing the aggrieved party who had spent time and money for the sake of protecting public charities. But for this all suits would be dismissed.

The postponement motion was lost. The motion for reference to a select committee was also lost. The bill was finally passed and the Assembly adjourned.

5th. APRIL :—The House on the motion of *Mr. Lancelot Graham*, passed bills amending the Code of Civil Procedure and partnership as passed by the Council of State.

Haj Bill

Sir Frank Noyce then moved the appointment of a select committee on the Haj Bill amending the Indian Merchant Shipping Act, 1909. A. J. Daudi, Dr. Ziauddin Ahmed, Mr. Maswood Ahmed, and Syed Murtaza Sahib welcomed the legislation, but reserved their criticism to the select committee stage.

The motion to refer the bill to a select committee was passed.

ASSAM TEA LABOURERS

Sir Joseph Bhore next moved for the appointment of a select committee on the bill amending the law relating to emigrant labourers in the tea districts of Assam. He said the bill would be circulated by executive order and hoped the select committee would meet in Simla some time before the next session. The motion was carried.

Haj Pilgrimage Committee

Sir Frank Noyce then moved two select committee motions on the bills, first, to establish a committee in each of the principal ports of pilgrimage to the Hedjaz and the second to regulate the activities of persons in British India who offered to assist Muslim pilgrims to the Hedjaz. Several members raised objection to the principle that a large majority of the members of the committees were either nominated or officials. *Sir Frank Noyce* assured that could be remedied. After slight alterations in the membership of the select committees the motions were adopted.

BURMA'S DISMEMBERMENT

Sir Joseph Bhore moved an amendment to the resolution on roads relating to Burma. This resolution empowered with the approval of the Burma Council and the Government that the amount available in respect of road development in Burma could be apportioned between the Shan States and Burma proper and could be spent on any other scheme. The House adopted *Sir Joseph Bhore's* resolution.

FINANCIAL OBLIGATIONS OF BURMA

Sir George Schuster moved the consideration of the report of the standing finance committee on the financial questions arising out of the proposed separation of Burma from India. While expressing the desire of the Government not to prevent any motion for postponement of the consideration of this report, the Finance Member made it clear that it might be found necessary by His Majesty's Government to subject to arbitration during the summer the questions arising from this report. Continuing, *Sir George Schuster* said one of the most important questions involved was that of pensions. *Mr. Nixon* had asked for 10% per cent. of the total charges

of the Government of India in respect of pensions, while Mr. Howard had suggested on behalf of Burma that pensions be paid only for service rendered in Burma. The financial difference involved was that under the Nixon scheme Burma would begin with a payment of about 105 lakhs in the first year, while under the Howard scheme she would pay only Rs. 35 lakhs. Similarly Mr. Nixon had suggested the same proportion in respect of pensions now being earned. The next question was that Burma should have her share of the unproductive assets and should pay the cost of troops actually employed in Burma. The standing finance committee had, however, suggested that the Government of India might claim some general contribution on account of the general services of defence. He next referred to the question of public debt. Mr. Nixon had suggested that a historical approach to the subject was impossible and had suggested that Burma should take over in respect of the productive assets the corresponding debt incurred and for the rest she should take over her share on the basis of her proportion to the general revenues of India, both central and provincial, which worked out at 10½ per cent. This would transfer to Burma a debt of Rs. 66 crores. Some members of the standing finance committee had urged to make an approach through the historical method, so that they might be better off, but Sir George Schuster opined this was not possible. Summing up the position he said India would be worse off between two and a quarter to three and a half crores after separation. The difference between the two figures was the difference between Mr. Nixon's and Mr. Howard's way of approach, but when it was considered that about Rs. 80 lakhs annually would be saved over interest charges after transferring Rs. 66 crores of the debt to Burma the balance might be covered. The Finance Member read from the Nixon-Howard memorandum a sentence that the question should be approached in a spirit of reason and mutual accommodation. To avoid the ill-effects of a change so great, there should be a spirit of give and take and Sir George Schuster suggested that the best method was not to tie the hands of the Government by giving precise instructions but to ask the Government of India to place before impartial tribunal with which enquiry the standing finance committee members would be associated to put the case of the Government of India for fairness to the Indian taxpayer.

Mr. S. C. Mitra moved for postponement of the Simla session. This was supported by Mr. Jehangir Munshi who said his Burman colleagues were absent.

The general sense of the House was to postpone the discussion if the Government maintained the *status quo* and did not appoint an arbitration tribunal. Sir George Schuster said he could not say what would be the course followed in this matter. The House then adjourned.

6th. APRIL :—Resuming the debate to-day Dr. Ziauddin Ahmed declared that the question of separation was for Burma to decide and he resented the artificial propaganda being carried on on the subject.

Deewan Bahadur Harbilas Sarda suggested the Government should take counsel with experts before tying their hands.

Mr. B. Das disliked arguing a hypothetical case and said : 'If we are going to have a tribunal it must be appointed by the League of Nations. The British Government are an interested party and none from within the empire should be appointed chairman.'

Mr. B. Sitaram Raju said Madras Andhras and Chetties had developed Burma and the question of safeguarding crores of their money was also involved. The issues were too serious to be discussed lightly.

Sir Abdur Rahim, leader of the Independent party, said : 'This question depends on the result of the election. We do not desire separation but we shall not stand in the way of Burma, if Burma decides to separate. But if Burma decides to separation then the financial adjustments between the two countries must be carried out on the principle of being fair to both parties. There is no question of generosity. We are not here to sacrifice the financial interests of India in order to help Burma to separate. We are not going in any way to help the party which wants separation from India. The arbitration board must not be appointed until Burma has decided to separate otherwise we shall be forcing the hands of Burma by giving financial settlement one way or the other.'

Mr. Joshi said the question of separation was the concern of the Round Table Conference. What status had either the Government of India or the Burma Government to discuss the question or to place the case before an arbitration board? Neither of them had any right to commit the future Governments of the two coun-

tries. He asked, who was to appoint the arbitrators. 'I hear the Secretary of State will do it.' Let me say that both the Secretary of State and the British Government are interested in this question. They forced it on the Round Table Conference. When they found they were to give self-government to India, they wanted to create difficulties and brought in the control of princes and decided to take away Burma. The question is one to be settled by the India and Burma Round Table Conference jointly.

Mr. Ranga Iyer said he did not have any definite opinion whether the arbitration should be by the League of Nations or by a Privy Council committee but as both India and Burma belonged to the empire an impartial tribunal could be found within the empire. (Sir G. Schuster : Hear, hear.) He felt Mr. Nixon had been moderate in putting India's case where Mr. Howard had been an extreme advocate of Burma's claims.

Mr. Jadhav asked : 'Is the question of separation to be decided by the amount of debt she would have to pay to India and is a small debt to be an inducement for Burma to go out? (Applause.) This is a farce practised by our trustees of joining Burma against our will and separating her against our will. I urge that the settlement of financial questions be postponed till the issue of separation is settled.'

Mr. Jehangir K. Munshi wished to speak on the merits of the case but, as he had taken a brief part in the debate yesterday, he was ruled out.

Sir George Schuster, replying to the debate, claimed the debate had been on the whole useful. He understood the general sense of the House was in favour of referring the issue to arbitration.

Sir Abdur Rahim.—Not now.

Sir George Schuster was glad at what fell from Mr. Iyer's lips. The issue was essentially an empire issue and it was not necessary to go outside the empire in order to get an impartial tribunal. He noticed that the members were silent on his suggestion that the members of the Standing Finance Committee should be associated with arbitration. Some suggested that experts and other representatives should be associated. This was a point which the Government of India would represent to His Majesty's Government. Sir George Schuster next asked the House what would they gain by further delay. He said the issue on behalf of the Opposition had been definitely put by Sir Abdur Rahim and he would answer his categorical points. Sir Abdur Rahim had said he cannot be generous and the settlement must be fair and must not make separation unduly attractive. I entirely agree with every word of that, but as after separation we have to develop our relations the financial adjustment must be reasonable and allow amicable relations in the future. We have the report of the Standing Finance Committee which strongly supports the view that the issue be submitted to the arbitration of tribunal.'

Sir Abdur Rahim.—The court should not be appointed now.

Sir G. Schuster.—That question does not rest with us. We can only represent to His Majesty's Government the views expressed in this House and this we shall do. But let me remind the Hon. members that the Premier in closing the Burma Round Table Conference had said that before the public of Burma were asked to decide on the issue of separation they should have the financial adjustments before them. We cannot decide otherwise here, and now we brought this issue to ascertain the views of the House, and if the House wishes to postpone the discussion we have no objection. We shall represent your views to His Majesty's Government but if in spite of these arbitration does take place we shall try to gather to ourselves assistance of the nature which will satisfy the House that we have made the best effort to represent the case of India in order to secure a fair settlement. (Applause).

The motion was accepted and the debate was adjourned to Simla and the President adjourned the House *sine die* amidst cheers.

PROCEEDINGS OF
THE PROVINCIAL COUNCILS
JANUARY—JUNE 1932

THE BENGAL LEGISLATIVE COUNCIL
THE MADRAS LEGISLATIVE COUNCIL
THE BOMBAY LEGISLATIVE COUNCIL
THE C. P. LEGISLATIVE COUNCIL
THE U. P. LEGISLATIVE COUNCIL
THE N. W. F. Pr. LEGISLATIVE COUNCIL
THE PUNJAB LEGISLATIVE COUNCIL
THE B. & O. LEGISLATIVE COUNCIL
THE BURMA LEGISLATIVE COUNCIL
THE ASSAM LEGISLATIVE COUNCIL

THE BENGAL LEGISLATIVE COUNCIL

The winter session of the Bengal Legislative Council opened in Calcutta on Monday, the 1st. FEBRUARY 1932 in the afternoon when His Excellency the Governor addressed the Council on the present situation. His Excellency, traced the history of the financial position of the province since the introduction of Reforms and remarked that the Government had done their best both by retrenching and stopping almost all expenditure upon new development schemes, to meet the situation created by the declining revenue.

His Excellency next referred to the position of the rural areas, some of which suffered from distress through floods, and said: "One gleam of satisfaction has been the fair rise in the price of jute. The latest reports indicate that on the whole the situation shows a distinct improvement.

His Excellency proceeding said: "With our fertile soil and our virtual monopoly in jute on which a large proportion of our population depend, we, here in Bengal, should be in a position to take immediate advantage of any improvement in the general position of trade throughout the world."

Referring next to the political situation His Excellency said: "There are many who believe that the root cause of many of our troubles, political certainly and possibly economic, is the delay in producing a Constitution placing on the shoulders of Indians the sobering influence of greater responsibility. However that be, an opportunity is now being afforded to Indians of all classes and communities to bring a constructive mind and outlook to bear upon the great problem."

In connection with the composition of the committees, the Government regretted that representatives of all shades of political opinion were not represented. Some had not seen their way to suggest nominees for membership. He also regretted the lack of time and opportunity to consult the House in connection with the appointment of the committees.

Stressing that the wish of the vast majority of the people of the country was for peace to admit an advance towards a settlement of the economic and constitutional problems, His Excellency said: "There is one section of opinion, however, very definitely a minority as the events of the past month have shown, which has chosen this, of all moments, to endeavour to divide the country and force upon the Government the necessity of diverting its attention from the promotion of constitutional reform and economic revival to the formulation of special measures designed to safeguard the State against disruption, and the individual against attacks on his personal liberty. I am not here to apologize for the Ordinances, the issue of which was forced upon the Government by those who, whether secretly by bomb, pistol or openly by methods no less unconstitutional, have declared in specific terms, their intention of bringing the administration to a standstill and forcing upon the Government and the people the will of a minority. The open challenge contained in the threat to revive Civil Disobedience was a challenge which no Government for the moment could hesitate to take up."

His Excellency continued: "To meet the emergency, the Government of India have armed themselves and the local Governments with special powers, which are and were intended to be of a wide and drastic nature. In doing so the Government of India were only arming themselves against the possibilities which past experience and the explicit threats of the Working Committee appeared to render imminent. No one will be better satisfied than the authors of these same Ordinances if their provisions need not be put further into effect. Let me make it clear to the House, that the Ordinances are directed solely against those who are engaged in movements subversive to the safety of the State and the liberty of the citizen. No law-abiding person need have any apprehension in regard to them."

His Excellency next referred to "the activities of a certain gang whose object is to terrorise Government and its officers—those who stand in the way of its nefarious designs." The main remedy against terrorism, His Excellency averred, a remedy which would most surely and permanently render its continued existence impossible in the country, was the manifestation of that detestation and refusal to tolerate its

existence which all decent citizens must certainly feel and which many of the members of the Legislature expressed to His Excellency in private.

His Excellency observed : "Make no mistake about it, that the menace of terrorism once it takes a deep root, will not be confined to those who may for the time be in the position of exercising Executive or Judicial functions, in the public service. Already we have had ample proof that the lives of witnesses, of men in public life, of men of property, are subject to attack at the hands of those who do not scruple, in furtherance of their revolutionary conspiracy, to make use of young girls as instruments of their murderous designs."

His Excellency added : "If public opinion demands its cessation and if the public of all classes come forward to help its eradication, the movement must perish."

THE CHITTAGONG REPORT

The report on the Chittagong occurrence formed the subject of interpellations, a member asking for a copy of the report being placed on the table.

Replying, Mr. Prentice said that the Government decided that it was not in public interest to publish the report.

PLEA FOR ECONOMIC ENQUIRY

The Council then adopted by 41 votes to 21, Government members not voting, a resolution recommending the Government to appoint a committee of officials, non-officials and experts for a systematic examination of the present economic depression in the province and to suggest measures to alleviate the distress.

Release of Detenus

2nd. FEBRUARY :—The Council discussed for nearly for three hours to-day, Mr. Shanti Shekhareshwar Ray's resolution recommending the release of all persons detained without trial under the Bengal Criminal Law Amendment Act of 1930.

The debate showed that while the members admitted practically the existence of a terrorist movement in the province, the grievance of non-official Indians was the detention of persons without trial for an indefinite period, one member observing that the recent Ordinances were far better as providing an opportunity for trial.

Mr. Ray, moving the resolution, asserted that the Government had betrayed the trust placed in them by the House.

Mr. N. K. Basu pointed out that, since the enactment of the Act, the number of terrorist outrages had increased. The Act had failed in its purpose, he asserted.

Mr. J. L. Bannerjee, while admitting that public opinion had failed to cope with the menace, could not but support the resolution, in view of the Government not taking the people into their confidence, as evidenced by their refusal to publish the Chittagong report. He demanded an open trial for these men.

Sir Lancelot Travers, on the other hand, appealing to the House to throw out the resolution, remarked that its rejection by a majority would be a message to the Viceroy and the Premier to continue their great policy for India's future. Sir Lancelot pointed out that the resolution was in reality a proposal to repeal a law duly passed by a majority of the Council. Many of them detested such provisions, but only a sense of duty and responsibility led the Council to arm the Government with unusual powers, the Government containing five Indians and two Britishers. Sir Lancelot told the mover that, if they could find a method by which detenus might be released without danger, Europeans were prepared to support him.

Mr. J. N. Gupta (retired Civilian), asked the Home Member to appoint a Board of the House to be associated with the Executive in going through the cases of detenus, but as regards the question of release, he did not think it a sound proposition, as a very substantial number of the detenus were really dangerous.

Mr. J. N. Basu, Liberal Leader, tracing the history of the Terrorist movement since 1906-07, observed that the measures, far from eradicating the evil, failed to cope with the increase in the number of terrorist crimes.

Among others, Mr. W. C. Wordsworth, Mr. B. C. Chatterjee, Maulavi Hassan Ali and Syed Majid Baksh spoke, the latter three supporting the resolution. The Council then adjourned.

3rd. *FEBRUARY*:—Resuming the debate on the release of detenues to-day, *Mr. W. D. R. Prentice*, the Home Member, declared: "We may not succeed in stamping out terrorism altogether, but we must do our best and in this connection we ask for the co-operation of the people of Bengal."

The *Home Member* categorically replied to the points raised by non-official Indians, the previous day, against the Bengal Criminal Law Amendment Act of 1930, and assured the House that, being responsible for administration of the Act, he was very careful to see that those powers were not used unless there was a strong case against the person concerned. The High Court Judges, who had been entrusted with the examination of the cases, had examined over 600 cases out of which 6 failed to satisfy them. In the circumstances, the Home Member added that the charge brought against the Act was unfounded. The Home Member sounded a note of warning in view of the growth of the terrorist movement. At present it was mainly directed against the British Government, but there was no promise, no indication, that the Indian Government, which would be in power before many years had passed would not be confronted with the menace. The Home Member declared that he himself hated the whole piece of legislation, a thing involving waste of money, which was needed in the province, but urged the House to realise that a really serious state of affairs existed. Explaining why the Government resorted to special powers, the Home Member said that the Act checked the growth of terrorism, though it might have driven it underground to raise its head later on. He pointed out that, some of the persons released under the amnesty were subsequently found to renew terrorist activities, resulting in the adoption of powers as in 1924. Concluding, the Home Member declared: "I call upon the Council to recognise their responsibility by turning down the resolution asking for the release of all criminals".

THE CHITTAGONG REPORT—ADJ. MOTION

At this stage, the President adjourned the debate, and called upon *Mr. N. K. Basu* to move his adjournment motion in connection with the non-publication of the Chittagong Official Enquiry Report. The debate lasted for 1½ hours, resulting in the motion being rejected by 58 against 42 votes. *Mr. Basu*, initiating the debate, maintained that the non-publication was really an act of breach of faith.

Mr. J. N. Gupta asked the Government to publish the report in the interest of the great Civil Service, to which he had the honour to belong.

"We must express our most sincere sympathy with any innocent people who suffered from the action of any member of my community" declared *Sir Lancelot Travers*. *Sir Lancelot* added: "But I would say to the House and through the House to the people of Bengal: Is it surprising that young men under the conditions which existed in Chittagong last year broke out this way? I say they were harried throughout the whole year and their nerves were reduced to such a state that it would not be surprising these young men broke out." *Sir Lancelot*, declared that his community was striving their best to hand over the Government of the country peacefully and with success to Indians, but his community were determined not to be driven out of this country by bombs or pistols.

The *Home Member*, in the course of his reply, maintained that non-publication of the report did not mean that there was any discredit to Government or to any of its officers, if it was so published. It might be that people when writing to the Government did not do so with an eye to the ultimate publication. They wrote to the Government frankly and if they knew that the report would be published, they might have altered the wording considerably.

The Home Member affirmed the Government decision that the report could not be published. He, however, assured the House that the Government did not ignore the situation, which was still under consideration, and he undertook to state the Government conclusion to the House at a later date.

RELEASE OF DETENUS

4th. *FEBRUARY*:—*Mr. Shanti Shekhareswar Rai's* resolution recommending the release of persons detained under the Bengal Criminal Law Amendment Act of 1930, which was being debated since 2nd February, was lost this afternoon without a division.

PREVENTION OF COMMUNAL DISORDERS

The resolution of *Rai Bahadur Satyendra Kumar Das*, recommending resort to legislation to prevent the recurrence of communal disorders in Bengal, was withdrawn, after some discussion. The object of the mover was to have legislation, making persons responsible for communal disorders liable to pay damages to the victims.

Mr. Abdus Samad, supporting the motion, declared: "Remove the cause, and the effect automatically disappears". The cause, according to him, was nothing but the poison of communal electorates, injected into the body politic of India.

Replying on behalf of the Government, *Mr. W. S. Hopkyns*, Chief Secretary, said that communal disorders were now dealt with under the Criminal Procedure Code, the provisions of which, with the Police Act, had proved to be sufficient, generally.

COMMITTEE ON RETRENCHMENT

On the motion of *Mr. J. N. Gupta*, the House accepted a resolution without a division, recommending the appointment of a Committee on retrenchment to examine the possible retrenchments both in the reserved and the transferred sides, taking proper action to effect a substantial reduction in the cost of administration.

Replying to the debate the *Hon. Mr. A. Marr*, Finance Member, said that the House would back him when he maintained that Bengal was most disgracefully dealt with in the financial settlement of 1921. The House would equally agree with him, when he said that if the Government had been able to make over a decent sum of say, Rs. 50 lakhs, annually to the nation-building departments, the history of the last 10 years would have been very different indeed. He hoped to secure in the next year's budget a saving of about 14 lakhs. He believed that no committee would be able to do very much in respect of retrenchment. He added that if the resolution was passed, the Government would take it into consideration.

NON-OFFICIAL BILLS

5th. FEBRUARY:—Five non-official bills were considered in the Council to-day, which adjourned till February 15.

The *Bill amending the Bengal Agricultural and Sanitary Improvement Act of 1920* was passed.

The *Bill to amend the Bengal Village Self-Government Act of 1919* was referred to a select committee.

The *Bill to amend the Calcutta Municipal Act of 1923*, was re-circulated and two others were thrown out. At the consideration stage of one of the latter, namely, the *Bill to amend the Bengal Patani Taluks Regulation of 1819*, the Government suffered the first defeat of the session, by a single vote, the House deciding to consider the Bill. The measure was, however, rejected by 46 votes to 40, Europeans not voting.

TRANSFER OF LAW AND ORDER TO MINISTERS

15th. FEBRUARY:—*Mr. B. C. Chatterjee's* adjournment motion which was allowed earlier in the day was talked out, after two hours' discussion in the Council in the afternoon. The motion urged the Council to discuss the "situation arising out of the attempt made on the life of His Excellency the Governor of Bengal at the annual Convocation of the Calcutta University on the 6th February, necessitating such actions on the part of the Government of Bengal as will lead to the authorities concerned immediately to transfer all the portfolios, except one, to popular Ministers responsible to the legislatures with a view to successfully combating and ultimately cradicating the menace of terrorism in Bengal."

Mr. W. C. Wordsworth, speaking on behalf of the British group, opposed the motion. From personal contact with students and young men of the city, he could say that they regarded what happened at the Senate House as a stain on the province, on the University and on themselves.

Sir Lancelot Travers pointed out that the British community in Bengal were in favour of the immediate grant of provincial autonomy, but they were not in favour of the transference of Law and Order to either a Hindu or Mahomedan Minister in the present state of communal feeling.

The Hon'ble Mr. W. D. R. Prentice said that the Government members would not vote on the motion which, if passed, would be recommended to the Government of India, with a note that they all wanted to see Bengal happy and prosperous and rid of the terrible menace of terrorism, but the speaker doubted whether the adoption of the proposal would have the desired effect.

TAXATION OF MOTOR VEHICLES

16th. FEBRUARY:—The Council, this afternoon, placed the *Bengal Motor Vehicles Tax Bill* on the statute-book.

Introduced by *Mr. B. P. Singha Roy*, Minister for Local Self-Government, the Bill provided for taxation, the proceeds of which would be expended on roads, the basis being the weight-capacity of the vehicles. The Bill closely followed the Bihar Act. The Bill superseded the existing powers of the Calcutta Corporation to tax motor-vehicles and in turn provided for payment to the Corporation of an annual sum of Rs. 4½ lakhs.

Ex-Minister *Nawab Musharaff Hossain* led the attack on the Bill, asking the House not to consider the measure in view of the present economic condition. *Maulvi Abdul Hakim* urged postponement of the operation of the Bill till April 1, 1933, on the same ground.

A controversy raged over the grant of Rs. 4½ lakhs to the Corporation. A number of amendments for an increased grant were moved, but all, however, were lost.

OFFICIAL BILLS

17th. FEBRUARY:—Six official Bills were discussed in the Council to-day of which the *Garden Reach Municipality Bill* was passed into law. Four, including the *Local Self-Government Amendment Bill*, were referred to the select committee. The *Opium Amendment Bill* was circulated for eliciting public opinion.

The new Act passed on the motion of the Hon'ble Mr. B. P. Singh Roy, Minister for Local Self-Government, provided for the separation of the Garden Reach area, excluding King George's Dock area, from the Calcutta Corporation, as an independent Municipality. The Calcutta Corporation, under the Act, will have to pay 2½ lakhs per annum to the new Municipality for 30 years.

HUSSAINABAD FIRING—OFFICIAL REPORT

The Hon'ble Mr. W. D. R. Prentice, Home Member, then read the report he had received from the District Magistrate of Tipperah on the latter's return from Hussainabad, where on the evening of February 13, following the assault by a rowdy mob, resulting in injury to a Sub-Inspector and six constables, the police opened fire. Two of the mob were killed, and several injured, three seriously. The report stated that, despite police persuasion, several villagers came out in a procession with national flags at midday. While the sub-inspector was explaining the illegalities of their action and asking them to go away, about a thousand people unexpectedly came in, armed with lathis, from the direction of the last village of Noakhali district, and shouting slogans, approached the police, who asked them to disperse. The mob became rowdy, and began to assault the police with lathis with the above casualties. Some of the rioters even rushed forward and seized one of the rifles, trying to snatch it from a constable. The officer-in-charge in order to save the lives of the officers and men ordered the opening of fire. Even then, the report stated, the rioters did not disperse. The police retreated, and took shelter in the house of a member of the Union Board. The mob followed them, surrounded the house and demanded of the owner to make over the police to them. There, the mob remained in a menacing attitude, till very late at night. Meanwhile, the officer-in-charge sent through the chowkidar, the draft of a telegram to a literate constable at Laksam for transmission to the Superintendent of Police, there being no telegraph office at Hussainabad. On receipt of the telegram at 8 p.m. the Deputy Superintendent of Police accompanied by the Deputy Magistrate, proceeded to the spot. It was added: "It appears to me, that the firing was justified, and resorted to in self-defence after the police had been attacked by a rowdy mob. Had there been no firing, it is undoubted that the police would have been annihilated by the mob." Thirty-five men were wounded, but the injuries were not very serious, excepting in

the case of one, as more buckshots were used than bullets. The reports added that the situation was under control.

At this stage, the *Hon'ble the President* informed the House that he had received notice of a motion for adjournment on the subject, but he thought, after the statement of the Home Member, that there would be hardly any necessity for moving that motion. The President suggested short-notice questions bearing on the Home Member's statement but one of those who had given notice pressed for the motion. The President said that the motion would be examined in due course.

Financial Statement For 1932-33

The Council then adjourned till the 22nd. FEBRUARY when the Budget was presented. In presenting the Budget the *Hon'ble Mr. A. Marr*, Finance Member said :—"The picture which I have presented is a distressing one, and I regret that I can see no hope for the future and no chance of that development which the province so urgently needs and the people of the province so justly demand, unless Bengal can find justice at the hands of the Federal Finance Committee, now sitting, before which I shall shortly appear."

The final result as estimated of the working of the current year, shows a deficit of no less than Rs. 2,10,94,000 including Rs. 12 lakhs for famine relief and Rs. 9,48,000 for the road fund, the closing balance shown being Rs. 21,48,000. So, to cover the deficit, the Government has arranged with the India Government to borrow an equivalent amount on the last day of the financial year, the repayment of which will be spread over a period of fifty years by annual instalments of Rs. 14,33,000. In spite of the cut in pay, and in travelling and conveyance allowances and economies, the total expenditure under revenue heads was expected to reach Rs. 11,13,89,000, giving a revenue deficit of Rs. 27,50,000 including Rs. 21,54,000 directly attributable to measures to cope with terrorist and kindred movements and the abnormal expenditure of Rs. 2,25,000 for relieving sufferers in floods and in the economic depression.

The estimates for the coming year under "Revenue Heads" show a total receipt of Rs. 9,49,84,000, an increase over the current year's receipts of Rs. 43,55,000 of which Rs. 15,98,000 is on account of receipts from the central road fund. The figure on the expenditure side under revenue head is Rs. 11,12,98,000 which includes Rs. 33,17,000 for jails, additional police and expenditure on Civil Disobedience and terrorism. The total extra expenditure, therefore, more than swallows the total economies planned.

The net result, as at present anticipated, of the next year's working will thus again be a deficit of Rs. 1,63,29,000 a heavy deficit is inevitable at the end of the year and if the figures are approximately correct, Bengal, it is feared, will be saddled with a further burden of unproductive debt for the service whereof an annual payment of Rs. 1,19,000 will have to be made from 1933-34, in addition to Rs. 14,33,000 already mentioned on account of the current year's overdraft.

NON-OFFICIAL BILLS

Six non-official bills then came up for consideration. Of these five were circulated for the purpose of eliciting public opinion thereon.

The object of the *Bengal Disorders Compensation Bill*, 1931, introduced by Rai Bahadur Satyendra Kumar Das, is to compensate sufferers from acts of unlawful assemblies including those of a communal nature as occurred in the town of Dacca and its vicinity in May, 1930 and in Kisoreganj shortly thereafter.

On the motion of Mr. Jatindra Nath Basu the Council circulated the *Bengal Suppression of Immoral Traffic Bill*, 1932 for the purpose of eliciting public opinion thereon by the 30th April, 1932. The object of the bill is to amend the Calcutta Suppression of Immoral Traffic Act 1923 and to provide for the extension of its provision to any town or place in Bengal and further to amend the Bengal Children Act, 1925, and further to amend the Calcutta Police Act, 1866.

In moving that the *Bengal Tenancy (Amendment) Bill*, 1931 be taken into consideration, Maulvi Syed Majid Baksh pointed out that under the provisions of the Bengal Tenancy Amendment Act IV of 1928 a natural guardian may be appointed a guardian *ad litem* of a minor defendant in a rent suit case even if he does not appear before the Court and gives his assent to such appointment.

The other two bills circulated for eliciting public opinion were the *Calcutta Municipal (Amendment) Bill* 1931, introduced by Mr. Mukunda Bohary Mullick and the *Bengal Pasture Bill*, 1931 introduced by Mr. Munindra Deb Rai Mahasai. The Calcutta Municipal Amendment Bill is intended to remove the difficulties that the residents of Ward No. 29 fell in having their needs being attended to by one elected Councillor and suggests that a portion from the southern side of Ward No. 29 be transferred to Ward No. 28 while the said latter Ward will retain its two elected seats.

Leave was refused to Dr. Naresh Chandra Sen Gupta, by 26 against 69 votes, to introduce the *Bengal Jute Bill* which aimed at regulating and controlling the production of jute.

Bengal Criminal Law Amendment Act 1932

23rd. FEBRUARY :—By 75 to 30 votes, the Council allowed the Home Member to introduce the *Bengal Criminal Law Amendment Act* 1932.

Introducing the Bill, the *Home Member* said that the members of the Council were well aware that the Ordinance which was promulgated by the Governor-General was expiring at the end of April and no member of the Council would say that the conditions existing in Bengal or likely to exist in the near future, were so much better that the necessity of the power given by the Ordinance did not exist. The Government asked the Council to grant such a power. The Government were determined to stamp out terrorism, and the Home Member was authorised to say that His Majesty's Government and the Government of India had no intention of allowing the Ordinance to lapse. The view of the Bengal Government was that the power was still required to meet the terrorist menace.

During the consideration stage of the Bill, as many as seven dilatory motions by non-officials asking for circulation of the Bill were tabled, six of which were lost without a division.

The motion for the circulation of the Bill for eliciting public opinion by March 14th by Mr. *Jalaluddin Hashemy* was pressed to a division and was negatived by 68 to 29 votes. Mr. Hashemy said that terrorist outrages were the result of the activities of *agents provocateur* of the Police Department. He could testify that *agents provocateur* were distributing leaflets and supplying materials for preparing bombs to students. He knew that students were even being supplied with revolvers.

Mr. W. D. R. Prentice, Home Member, opposing the motion for circulation of the Bill, reiterated the conviction of the Government that the powers given by the Ordinance must be continued for the suppression of terrorism. That being so, these powers must be given before the expiry of the Ordinance on April 28th. The main point of the Bill, he said, was to pass legislation which would maintain all the provisions of the Ordinance. That Ordinance had been before the public for about four months. They knew very well, from the Press, what public opinion was as regards the terms of the Ordinance. They also knew from the speeches of the members what their feeling was regarding the matter.

The House then proceeded to discuss the motion for referring the Bill to a select committee, which too was defeated by 66 to 31 votes.

Moving for consideration of the Bill, the *Home Member* explained the principles involved in the Bill, the first of which was to extend the period of the existing Ordinance and the second to remove certain administrative difficulties. The Bill, continued the Home Member, aimed at suppressing terrorist gangs who were active. Unfortunately, experience had shown that there were also outrages by individuals who were not actually terrorists. It had been therefore decided to go back to the precedent existing before the Great War and to include potential terrorists as well as active terrorists. The Government realised that they had not succeeded in preventing a recurrence of these outrages, as public opinion in the province co-operated with the Government in the matter, there would be no need for a legislation of this nature. But while the need continued, the Government had to deal with potential as well as active terrorists.

Of the 30 members voting against the introduction of the Bill, 8 were Moslems. The *President* read a messages to the Council from His Excellency the Governor appreciating the congratulations of the members of the House on his providential escape from the outrage at the Convocation, and the gallant action of the Vice-Chancellor. The Council then adjourned till next day to consider the Bill clause by clause.

24th. FEBRUARY :—Moving the passage of the Bill, the *Home Member* assured the Council that if the terrorist menace disappeared, then the Act would be allowed to die of inanition and would not be used for any other purpose than that for which it was intended.

The passage of the Bill was opposed by *Syed Majid*, who characterised the Bill as a negation of law. Earlier attempts were made to limit the life-time of the amending bill to one year, which, however, was defeated by 65 votes against 37.

The original Act, which was passed in 1930, was for a period of five years. Moving an amendment for limiting the life-time of the Bill to one year, *Mr. Syamaprasad Mukherji* said that like a drowning man catching a straw, the Government were enacting ordinances after ordinances. He asked the Government to go to the root of the matter instead of persisting in the present policy,

Proceeding, *Mr. Mukherji* said that in the ensuing year's budget estimates, there was provision for Rs. 33 lakhs for Police and Jails, on account of the political situation. If half of that amount was spent in the solution of the problem of unemployment, the situation would be eased.

In supporting the amendment, *Mr. B. C. Chatterji* said that the revolutionary movement in Bengal had nothing to do with the question of unemployment. It was a well-known fact that a good many boys took part in this movement who did not suffer from poverty. He also did not support *Mr. Mukherji* when he said that the services of Gandhiji in these directions would help the Government. *Mr. Chatterji* said that Gandhiji's preaching fell like water on a duck's back. So far as these young men were concerned, they did not listen to him.

Mr. Campbell-Forester, opposing the amendment, said that the Government were right in placing the measures on the statute book.

Opposing the amendment, the *Home Member* explained that if it was carried, the Act would be a dead year hence and the Government would have no power to deal with terrorism without coming to the Council again.

The *Home Member* assured the House that the Government did not regard repression as an end by itself, but only as a means to an end. Nobody had yet been able to suggest any other measure by which the Government could deal with the menace of terrorism, but if there was any member of the Council who had suggestions to make on the subject, the *Home Member* would be glad to discuss the matter with him.

On the motion of the *Home member*, the Council passed the Bengal Criminal Law Amendment Bill 1932, by 49 votes to 18 votes. The House then adjourned till the 29th.

GENERAL DISCUSSION OF BUDGET

29th. FEBRUARY :—A dozen non-official members participated in the general discussion of the budget in the Council to-day.

The proceedings were dull and manuscript eloquence seemed to be the order of the day. Attendance both in the House and in the galleries was thin, and towards the end the attendance dwindled to such an extent that the House was adjourned by the Hon. President for want of a quorum.

Initiating the discussion on the budget, *Mr. J. N. Gupta* referred to the deficit budget to the extent of Rs. 2 crores which was to be covered by loan from the Government of India and said that suffering as they had been from chronic starvation, this collapse of their slender resources, which would leave just over Rs. 9 crores for catering to the needs of a population of five millions, was a staggering blow and a calamity which was without parallel in any other province of India. He urged all possible economies to cut down their expenditure. While admitting that the economic crisis was world-wide, he pointed out that the political situation of the country had greatly added to the special difficulty. But true statesmanship would indicate that the time had come for initiating a policy of leniency and conciliation. It was only when there was a spontaneous resuscitation of natural activities which were now paralysed that business would revive, and with the revival of business, the resources of the Government would again show signs of ascending the upward course.

Rai Bahadur Dr. Haridhona Dutt wished that the Government had practised the financial maxim that the year's expenditure should be kept within the year's income.

Dr. N. C. Sen Gupta thought that if the Government had been inspired by a sound financial policy, and there was true statesmanship and imagination in the Government, the position would not have been so bad. He urged a ruthless cut in expenditure.

Mr. Jalaluddin Hashemy suggested a drastic cut in the cost of administration and said that the Governor of the Province should not receive more than Rs. 500 per month and that the Members of the Executive Council should get less than Rs. 500 and that the Ministers must go. He thought that if the political situation did not improve, there was very little chance of revival of trade and commerce.

Rai Bahadur K. C. Banerji deplored that far-sighted statesmanship had been sacrificed at the altar of political expediency.

Rai Bahadur Satyendra Nath Das suggested ten per cent. cut in general administration in addition to the ten per cent. cut in salary. He also suggested the temporary suspension of some departments of the Government.

After several others had spoken, the Council grant for internees was adjourned.

1st. MARCH:—On the motion of the Hon'ble Mr. A. Marr, Finance Member, the Council to-day passed supplementary grant of Rs. 1,35,000 in toto to cover the expenditure in excess of the voted grants on account of the charges relating to persons detained outside jails under the Bengal Criminal Law Amendment Act of 1930, as amended by Ordinance No. IX of 1931.

There were ten amendments to supplementary grant in the course of which matters relating to the treatment of detenus as well as their allowances were raised.

By a token "cut", *Dr. N. C. Sen Gupta* raised a discussion on the action of the Government resulting in a large increase in the detention of persons outside jails without trial. *Mr. W. L. Armstrong*, by another token "cut", initiated a discussion on the need for economy.

All the cuts, however, were lost without a division and the grant was passed.

Replying to the debate, *Mr. W. D. R. Prentice*, Home Member, explained that the grant was required to meet the expenditure up to the end of the year in respect of detenus in confinement or under restraint outside jails. When the budget was framed they expected to deal with 500 detenus, but already there had been an increase of 50 per cent, and it showed signs of increasing still further. The Home Member said: "We have endeavoured throughout to keep allowances at a reasonable rate. We can't treat these men as criminals. We have got to treat them as under preventive detention, and have tried to hold the scales even between the two extremes." Concluding the Home Member said that no person was detained under the Act unless he was connected with terrorism, and assured the House that *bona fide* politicians need have no fear that they would be dealt with under the Act.

VOTING ON BUDGET GRANTS

The House then adjourned till the *14th. MARCH* when voting on Budget grants commenced. On the *15th. MARCH* the Government suffered its first defeat when, by 54 votes to 44, the House carried a token cut of Rs. 5 under Land Revenue demand, drawing attention to excessive assessment and the failure to take effective steps for proper assessment. The entire demand of Rs. 39,04,000 minus Rs. 5 was sanctioned.

The House voted the entire demand for Rs. 17,39,000 for Excise, defeating a cut-motion moved by *Rev. B. A. Nag* to call attention to the incompetency of the Excise Superintendent to run the administration, by 21 to 18 votes.

The demand of the Finance Member, for Rs. 5,34,000 for Stamps was similarly voted without a cut.

16th. MARCH:—When the Council commenced its discussion to-day on the demand for Rs. 8,96,000 for Forests, the Member in Charge, the Hon. Mr. A. Marr, Leader of the House, replying to a "cut" moved by *Mr. N. K. Basu* stated that on the arrival of the new Governor, the Government would appoint a Retrenchment Committee as early as possible. *Mr. Marr* agreed that the motion of *Mr. Bose* was for economy, but requested *Mr. Bose* and the mover of similar motions to withdraw the same, in view of the assurance that the matter would be placed before the Committee on Retrenchment. The cut motion having been withdrawn, the entire demand for Forests was sanctioned.

The Council censured the Government by 47 to 38 votes by carrying a token cut of Rs. 100 disapproving of the policy underlying the permitting of licences to carnivals in Calcutta. Minus this cut, the entire demand of the Finance Member for Rs. 1,500, which was necessary for payment to the Calcutta Turf Club for the collection of amusement and betting taxes was passed.

The House next voted the entire demand of the Minister for Education and Registration for Rs. 18,94,000 under Registration, defeating a motion for the refusal of Rs. 1,97,300 by 65 to 23 votes.

The House adjourned when it was discussing the demand of the Irrigation Member for Rs. 32,93,000.

17th. MARCH :—The Council discussed to-day the demand of the Home Member for Rs. 95,28,000 for General Administration.

A cut motion of Mr. Munindra Deb Rai Mahasai for the total refusal of Rs. 2,800 under the head, Hill and Dacca allowances, was withdrawn on the assurance of the Finance Member that the whole question would be placed before the Retrenchment Committee.

The entire demand of the Irrigation member for Rs. 32,93,000 was voted.

A cut motion of a Moslem Member to criticise the irrigation policy of the Government was defeated by 58 votes to 41.

18th. MARCH :—The necessity for reducing the number of Executive Councillors was voiced by non-official members at the Council this afternoon by a cut motion of *Khan Bahadur Abdul Momin* under the head General Administration. After a lengthy discussion the motion was pressed to division and lost by 61 votes to 41.

Supporting the cut motion *Mr. J. N. Gupta* said not only the number of Executive Councillors, but also their pay should be reduced. He appealed to the Executive Councillors and Ministers to set an example by offering to accept a lower pay and asked Government to take a leaf out of the book of the Bombay Government in the matter of the reduction of the members in the Cabinet.

Mr. N. K. Basu asked the House to request the Secretary of State to fix the salary of the Executive Councillors, less than the maximum salary in view of the present economic depression.

The *Home Member*, replying to the debate, said the pay and number of executive councillors were not within the competence of the House to discuss.

Following a point of order raised, the *President* held the debate relevant and the motion as admitted by the Chair to discuss the issue before the House was sound.

The *Home Member* replied he was not questioning the ruling of the Chair. All he said was this money was wanted for the peon and other contingencies and had nothing to do with the Executive Councillors.

Mr. A. F. M. Rahaman discussed the merits and demerits of the question of granting immediate responsible government to the province, while *Mr. J. L. Banerji* demanded the immediate introduction of provincial autonomy as, in his opinion, Bengal was tired of political agitation and wanted peace.

The Debate was continued on the next day, the 19th. MARCH, when a number of Members joined in the debate, *Mr. A. K. Fazlul Huq* favouring, and his fellow delegate to the Round Table Conference *Mr. J. N. Basu*, opposing the immediate grant of responsible government which, according to the latter, would be valueless without responsibility in the Centre.

During the debate on the constitutional issue, *Mr. N. K. Basu* said he would accept provincial autonomy if provincial administration was allowed to be carried without interference by an irresponsible Centre. Referring to *Mr. H. S. Suhrawardy's* speech in the course of which *Mr. Suhrawardy* said that the Hindus being unthinkingly, passionately and blindly communal, were unable to bear the idea of Moslem majority in the Bengal and Punjab and that Moslems would never agree to transference of power unless their demands, including statutory majority for Moslems in five provinces on basis of separate electorates, were fulfilled, *Mr. Basu* said that the speech was one long stream of bitter invectives against Hindus. He did not want it to be understood either inside or outside the House that *Mr. Suhrawardy* represented a considerable section of Mahomedans. If a man who gave expression to such venomous vituperations against Hindus was brought to him (*Basu*) for

justice then he would say : take the loathsome reptile away, stamp upon it and crush its head.

Mr. Suhrawardy, rising to a point of order, asked the Chair to request *Mr. Basu* to withdraw his remark as it was directed against a member of the House.

The *President* said : I should be very pleased to ask *Mr. Basu* to withdraw his remark, but yesterday some Hindu members represented to me that they took exception to the remark in your speech that all Hindu members were in sympathy with terrorists. If you will withdraw that remark, I will ask *Mr. Basu* to withdraw his remark.

Mr. Suhrawardy remained silent.

Opposing the motion, *Mr. Jalaluddin Hashemy* said that as long as there was no truce with the Congress, as long as there was rule by Ordinances, as long as there was the Bengal Criminal Law Amendment Act, so long there would be no peace, there would be no Responsible Government. *Mr. Hashemy* wondered why *Mr. J. L. Banerji*, once a great advocate of the Congress, was now playing the role of Indian Cosgrave to fight the Indian *De Valera*.

Sir Lancelot Travers, on behalf of Europeans, said that the European Association was in favour of the introduction of provincial autonomy first, but the proposal had been voted by almost the unanimous voice of the delegates in the Round Table Conference and if now provincial autonomy was initiated, the delegates would charge the British Government with breach of faith.

Replying, the *Hon. W. D. R. Prentice*, sympathised with the object of the motion which he opposed only on principle. What had been recommended by the motions had been considered by His Majesty's Government, but not yet accepted. Therefore it was not possible for the Bengal Government to make recommendations contrary to the declared policy of His Majesty's Government. He promised to forward the proceedings to the Government of India and suggested the withdrawal of motions.

By 61 votes to 43, the House defeated a token cut of *Mr. B. C. Chatterjee* aiming at discussion of the "question of administration of Public Department" by transfer of the portfolio to a responsible Minister.

Guillotine was then applied and the entire demand of the Home Member for Rs. 95,28,000 for general administration was voted.

Discussion was going on the Home Member's demand for Rs. 77,37,000 for "Administration of justice" when the House adjourned till the 21st.

21st. MARCH :—In the Council to-day, the necessity for appointing women Honorary Magistrates for juvenile courts, was urged by a token cut of one rupee under Administration of Justice.

Mr. S. M. Bose thought that women would be of great use in dealing with such offenders, and that the State would gain in the long run.

Supporting the motion, *Mr. W. C. Wordsworth* said that in this respect India was far behind the rest of the world, and Bengal lagged far behind some parts of India. He pointed out that the Act which was passed after deliberation, had practically remained inoperative. Pointing out the steps taken in England in this matter he stressed the desirability of issuing instructions on the lines issued by the Home Secretary in England for dealing with such offenders.

The motion was ultimately withdrawn. The guillotine was applied, and the entire demand for the Administration of Justice was voted.

A token "cut" of Rs. 100 in the demand for Rs. 48,95,000 under the head "Jails and Convict Settlements" to discuss the grievances of political and other prisoners regarding diet, treatment, etc., was lost by 52 votes to 25, and the original demand was sanctioned.

Moving the demand for Jails and Convict Settlements, the *Hon. Sir B. B. Ghose* said that the demand represented an increase of Rs. 12 lakhs over the last budget provision. From the beginning of this year, there had been a rapid rise in the number of prisoners. Government had to re-open and re-staff two special jails at Dum Dum, as well as another special jail at Hijli. The demand has been based on a population of 24,055, calculating the number of ordinary prisoners at 18,900, Civil Disobedience prisoners at 5,000 and detenus at 150, against a normal population of 13,500.

Mr. H. Birkmyre said that from the information given, it could be taken that jails were extraordinarily good and political prisoners were well-housed and well-fed.

Drawing a comparison between the lot of prisoners in France and Russia with those in India, Mr. Birkmyre said that the real need of the hour was for all the members to join hands to get real educated public opinion behind them which would enable them to throw open the prison gate and release all prisoners.

Replying to the debate, Sir B. B. Ghose pointed out that steps had been taken to redress the grievances.

The guillotine was at this stage applied, and the motion was rejected.

23rd. MARCH :—After a full dress debate, the [Council to-day rejected by 61 votes to 33, the "cut" motion of Mr. J. N. Basu under the head 'Police' to discuss the want of facilities for calling public attention to the misconduct of the Presidency police. A large number of members participated in the debate, in the course of which the Press Officer was criticised for the manner in which he was functioning.

Moving the demand under the head "Police", the Home Member said that although the demand was the largest compared with other provinces, he would ask the House to grant it, it being required for the maintenance of Law and Order. The demand was not extravagant, but was absolutely necessary.

Initiating the debate, Mr. Basu said that he heard that news which was considered fit for publication in other parts of India, was not allowed to be published in Calcutta. He suggested to the Government to see that the police in performing their duty, behaved in a manner which would be above suspicion. The Government should see to the publication of news dealing with police excesses. They should assure the public that their grievances were being considered sympathetically.

Supporting Mr. J. N. Basu's cut motion, Dr. N. C. Sen Gupta referred to the allegations of assault on Bimal Das Gupta sentenced to ten years' rigorous for an attempt on the life of Mr. Villiers, while he was in police custody, and said that an enquiry into the allegations were held in the absence of the defence pleader and in the absence of Bimal Das Gupta himself. Why this anxiety to avoid a thorough enquiry into such specific allegations of assault? Why was there no medical examination and why was not Bimal Das Gupta himself examined? In the circumstances, the presumption might be that Bimal had been assaulted by the police.

Mr. J. N. Gupta (retired civilian), supporting the motion, referred to the visit of a European lady to the Police Commissioner, when she found him so excited that he could not give her two minutes' hearing. If that was the state of mind of those responsible for the police administration, was it a wonder that the whole police force was demoralised? He added that they were doing no good by resorting to means which must be criticised as barbarous and uncivilised.

Replying to the debate the Home Member absolutely denied that the Government were pursuing a policy of terrorism in dealing with the present movement and said that the orders issued by the Government were against it. He also denied the charge that the Press Officer had forbidden the Press to public assault and challenged any member of the House to produce proofs supporting the charge.

The Home Member pointed out that the initiative for what was going on was not with the Government who were trying to maintain public peace against those who were out to break it. He added that the Government had not handed over the administration of the ordinances to officers without taking care to see what was being done and pointed out that a special officer had been appointed to look after the administration of the emergency measures and that the Government were keeping themselves in the closest contact with him. Since full Responsible Government was coming shortly, he expected the members to be a little more responsible in criticising the police assuring the House that the Government on their part were doing their utmost to prevent illegalities.

After the rejection of Mr. J. N. Basu's 'cut' motion, Mr. S. M. Bose moving a cut motion wanted to discuss the advisability of encouraging the use of indigenous goods specially those made in Bengal, by the Calcutta Police.

Mr. B. R. Sen, Additional Deputy Secretary, Political Department in a maiden speech said that the Government were in full sympathy with the objects of the motion, their policy being to encourage indigenous industries as far as possible regarding local purchases.

The motion was then withdrawn. The Council then adjourned.

24th. MARCH :—The Council carried without a division to-day the adjournment motion of Mr. Jalaluddin Hashemy censuring the Government for the unusual and

unnecessary delay in effecting the immediate separation of the Council Department from the Legislative Department.

The *Hon. Mr. A. Marr*, Finance Member, assured the House that the Government accepted the principle of separation. As regards the complaint that the Council was not taken into confidence, he thought that Government were not to blame for it. Dealing with the main issue, Mr. Marr said that there were four schemes, first involving no expenditure, the two departments to be separated on paper, the second costing Rs. 7,000, the third Rs. 1,000 and the last between Rs. 17,000 and Rs. 25,000. The Government felt that they would not be justified in pushing forward the proposals, when they were definitely committed to retrenchment.

GOVERNOR'S FAREWELL ADDRESS

His Excellency the Governor then addressed the Council of whom he took leave prior to his leaving the office. In the course of his speech, H. E. said : "I must gratefully acknowledge the way in which the House has had risen to the full height of its responsibilities when demands have had to be made upon it for funds and for legislation for the maintenance of peace and good government in the province." His Excellency said that he would not be present here to offer help in the task of implementing the policy of His Majesty's Government as regards the future Government of India, but he looked forward to the day when he might hear and read of their achievements under the new Constitution. His Excellency added : "I think I am right in believing that, in spite of the distance yet to be traversed and the hurdles still to be crossed it might fall to my immediate successor to order elections which will provide this province its first autonomous Government."

VOTING OF GRANTS

Following the speech of the Governor, the entire demand of the Hon'ble Mr. Prentice, for Rs. 2,08,80,000 for "Police" was sanctioned by the House, without any cut.

The demands of the Hon'ble Mr. A. Marr for Rs. 4,08,000 for Ports and Pilotage, for Rs. 25,000 for "Scientific Departments, and for Rs. 10,61,000 for Education (Reserved) were then voted.

Moving a token cut in the demand for Education (reserved), *Mr. W. C. Wordsworth* asked for information about the two Government European schools at Kurseong. He said that the Domiciled Anglo-Indian community suspected that owing to the economic crisis, the Government were about to diminish or restrict the facilities for education now enjoyed by the community at the above schools. Mr. Wordsworth wanted to tell the members of the House : "We (Europeans) do not take the money of the tax-payers of Bengal for the education of our children. Our children are educated in England."

The *Finance Member* replied that Government agreed as a temporary measure, in view of the financial difficulty and lack of European pupils, to relax the rules governing admission to certain schools, but not to the schools at Kurseong.

Mr. Wordsworth withdrew the motion.

The House was discussing the demand of the Education Minister for Rs. 1,08,75,000 for Education (Transferred) when the Council adjourned till the 29th.

29th. MARCH:—When the Council re-assembled to-day after the Easter recess, the entire demand of the Hon'ble Mr. K. Nazimuddin, Minister for Education (Transferred) for Rs. 1,08,75,000 was carried after a number of token "cuts" had been either withdrawn or lost.

The affairs of the Calcutta University were criticised during the discussion of the "cut" motion of *Mr. Tamizuddin Khan*, urging the amendment of the University Act to give adequate representation to Muslims.

Opposing Mr. Tamizuddin's motion, *Mr. Wordsworth* desired to see the Moslem community taking a lead in higher education, not as the result of legislation forcing such things, and not by calculation of percentages, but as the result of natural development of the work done by the community for higher education. *Khan Bahadur Axiul Haq* joined issue with Mr. Wordsworth.

Mr. Syamaprasad Mukherjee expressing the viewpoint of the University pointed out that out of 100 Ordinary Fellows, 80 had been nominated by the Governor, 10 elected by the registered graduates, and the remaining by the Faculties.

Referring to the contribution made by Moslems towards the University, Mr. Mukherjee pointed out that during the last twenty years, the Hindu public contributed about 50 lakhs against Rs. 11,000 by Mahomedans.

The Minister Mr. Nazimuddin referred to the bill to amend the University Act, which, though drafted, had been considered by the Government as being inadvisable for introduction, involving, as it did, a controversy.

On the assurance of the Education Minister, that most of the evils complained of would be remedied when the University gave effect to reforms outlined in the Re-organisation Committee's report, the motion was withdrawn.

Mr. Syamaprasad Mukherjee, by a token "cut" wanted to discuss the possibility of de-provincialisation of Government Arts Colleges, opining that the money spent on them would be better spent if distributed to private institutions.

Mr. W. C. Wordsworth, supporting Mr. Mukherji, said that the necessity for the Government being the pioneer for the maintenance of a large number of educational institutions had now disappeared. Private enterprise was doing more than 80 per cent of the educational work in the province. He suggested that education would improve if the Government handed over the colleges to a small body not eternally harassed to meet the wishes of individuals and groups influenced by other than educational considerations.

The Education Minister promising to consider the matter, the motion was withdrawn.

30th. MARCH:—The Council to-day voted the entire demand of Rs. 43,49,000 for medical and Rs. 38,71,000 for public health. The motion of Dr. Hridayon Dutt raising a discussion in connection with the grant to the Jadabpur Tuberculosis Sanatorium was lost by 57 votes to 30.

31st. MARCH:—Discussion of the Budget grants concluded to-day. The time-limit having been reached the guillotine was applied and the House in quick succession voted entire grants of Rs. 22,80,000 for Agriculture, Rs. 10,56,000 for Industries, Rs. 20,72,000 for Miscellaneous Departments, Rs. 75,16,000 for Civil Works, Rs. 1,30,000 for Famine Relief, Rs. 52,03,000 for Superannuation Allowances and Pensions, Rs. 20,09,000 for Stationery and Printing, Rs. 6,16,000 for Expenditure in England and Rs. 10,35,000 for Loans and Advances.

OFFICIAL BILLS

The House then took up the consideration of Government Bills and passed the *Bengal Mahomedan Marriages and Divorces Amendment Bill*, and the *Bengal Primary Education Amendment Bill*, at the instance of the Hon. Mr. K. Nazimuddin. The object of the latter Bill is to make primary education for girls, not below six nor more than ten, compulsory within the municipal areas.

The Hon. Sir A. K. Ghuznavi introduced two Bills, one to amend the *Elephants Preservation Act of 1879* in its application to Bengal, validating the existing practice for proclaiming wild elephants, which had become dangerous to human life and property. This was passed.

Introducing the *Rhinoceros Preservation Bill* Sir A. K. Ghuznavi said that it had been found that illicit killing of the animal was on the increase on account of the high prices offered for its horns, and failing immediate and adequate protection, the animal was likely to become extinct in the province. There was five species, two African and three Asiatic. One of the latter was already extinct. The Bill wanted to enhance the present penalty.

1st. APRIL:—After interpellations to-day, the House passed the Bill introduced by Mr. A. K. Ghuznavi giving protection to the Rhinoceros.

The Bill introduced by the Minister, Mr. B. P. Singh Roy, to amend the *Bengal Municipal Act of 1884*, was referred to a select committee. The Minister said that the Bill wanted to democratise the constitution of municipalities and would be the first experiment in extended franchise. It placed the powers of additional taxation in the rate-payers' representatives, so as to enable them to undertake schemes for civic improvements. The Bill further proposed that Commissioners should take the oath of allegiance before assuming office.

The Council was then prorogued.

THE MADRAS LEGISLATIVE COUNCIL

LIST OF MEMBERS

President :—The Hon. Mr. B. Ramachandra Reddi

1. ABDUL HAMEED KHAN
2. AHMED MEERAN MOULVI HAFEEZ ANUMANTHAKUDI MUSTAFA.
3. ALAGANNAN CHETTIYAR, RAO SAHIB A. S.
4. ALAMELUMANGA THAYARAMMA, MRS. K.
5. ANNAMALAI CHETTIYAR, S. A. A.
6. ARASU, V. T.
7. ARI GOWDER, H. B.
8. AROGYASWAMI MUDALIAR, DIWAN BAHADUR R. N.
9. BASHEER AHMED SAYEED.
10. BASU DEV, C.
11. BAYAPPA REDDI, P.
12. BEYABANI, S. M. K.
13. BHANOJI RAO, SRI A. V.
14. BIRLY, F.
15. CAMPBELL, I. C. S. THE HON. SIR ARCHIBALD.
16. DAVIS, J. A.
17. DEVADASAN, M.
18. DHARMALINGAM PILLAI, RAO SAHIB V.
19. DURAISWAMI REDDIYAR, K. M.
20. ELLAPPA CHETTIYAR, DIWAN BAHADUR S.
21. FOULKES, R.
22. GOPALASWAMI MUDALIYAR, DIWAN BAHADUR M.
23. HARISCHANDRUDU NAYUDU, A.
24. HOOD, I. C. S., H. M.
25. HUTTON, A. W.
26. INDRAIAH, C.
27. JAGANNADHA RAJU, RAO BAHADUR G.
28. JAGANNATHAM, H. M.
29. JAMES, F. E.
30. JAYARAM NAYUDU, RAO SAHIB C.
31. KESAVA RAMMURTI NAYUDU, K.
32. KHALIF-UL-LAH, KHAN BAHADUR P.
33. KOLANDA REDDI, RAI SAHIB C.
34. KOTI REDDI, K.
35. KRISHNAMURTI, RAO SAHIB D.
36. KRISHNAN, C.
37. KRISHNAN NAYAR, KT., THE HON. DIWAN BAHADUR SIR M.
38. KRISHNASWAMI AYYAR, KT., DIWAN BAHADUR SIR ALLADI.
39. KUMARA RAJA OF VENKATAGIRI (RAJA VELUGOTI SARVAGNYA KUMARAKRISHNA YACHENDRULA VARU).
40. KUMARASWAMI REDDIYAR, THE HON. DIWAN BAHADUR S.
41. KUPPUSWAMI CHOUDARI, J.
42. LAKSHMANA REDDI, G.
43. LUKER, F. G.
44. MADANAGOPAL NAYUDU, R.
45. MADHUSOODHANAN THANGAL.
46. MAHARAJA OF VENKATAGIRI (SRI VELUGOTI SIR GOVINDA KRISHNA YACHENDRULA VARU, LIEUTENANT-COLONEL.
47. MAHBOOB ALI BAIG.
48. MAHMUD SCHAMNAD, KHAN BAHADUR.
49. MAHOMED USMAN, KT., THE HON. KHAN BAHADUR SIR
50. MANIKKAVELU NAYAKAR, M. A.
51. MOIDOO, KHAN BAHADUR T. M.
52. MOSES, P. C.
53. MUHAMMAD MEERA RAVUTTAR, K. P. V. S.
54. MUNISWAMI NAYUDU, THE HON. DIWAN BAHADUR B.
55. MUNISWAMI PILLAI, RAO SAHIB V. I.
56. MURUGAPPA CHETTIYAR, DIWAN BAHADUR A. M. M.
57. MUTHIAH CHETTIYAR, M. A.
58. MUTHU CHETTIYAR, RAO BAHADUR P. C.
59. NACHIYAPPA GOUNDER, K. A.
60. NADIMUTHU PILLAI, A. PL. N. V.
61. NANJAPPA, SUBADAR-MAJOR S. A.
62. NARASA REDDI, T.
63. NARASIMHASWAMI, D. V.
64. NARAYANAN NAMBIYAR, V. P.
65. NARAYANAWAMI PILLAI, RAO BAHADUR T. M.
66. NATESA MUDALIAR, RAO BAHADUR C.
67. PALAT, R. M.
- 68.
69. PARTHASARATHI AYYENGAR, C. R.
70. PATNAIK MAHASAYO, SRIMAN M. G.
71. PATRO, KT., RAO BAHADUR SIR A. P.
72. PATTABHRAMIA, K.
73. PATTAGAR OF PALAYAKOTTAL.
74. POCKER, B.
75. PREMAYYA, G. R.
76. RAJAGOPALA PILLAI, P. V.
77. RAJA OF BOBBILI, (SRI RAVU SWETACHALLAPATHI RAMAKRISHNA RANGA RAO.

78. RAJA OF KALLIKOTE (RAJA SRI RAMCHANDRA MARDIA RAJA DEO).
79. RAJA OF PARLAKIMEDI (SRI SRI SRI KRISHNA CHANDRA GAJAPATHI NARAYAN DEO)
80. RAJAN, THE HON. MR. P. T.
81. RAMCHANDRA PADAYACHI, P. R.
82. RAMCHANDRA REDDI, THE HON. MR. B.
83. RAMAKRISHNA REDDI, A.
84. RAMALINGHAM CHETTIYAR, RAO BAHADUR T. A.
85. RAMAMURTI, PANDIT GANALA
86. RAMAN MENON, K. P.
87. RAMASWAMI AYYAR, T. S.
88. RAMASWAMI MUDALIYAR, V. M.
89. RANGANATHA MUDALIYAR, A.
90. RANGANATHA MUDALIYAR, G.
91. RANGANATHA MUDALIYAR, M.D.T.
92. RANGASWAMI REDDI, M. B.
93. RATNASABHAPATI MUDALIAR, DIWAN BAHADUR C. S.
94. SAHAJANANDAM, SWAMI, A. S.
95. SAMI VENKATACHALAM CHETTI
96. SATYANARAYANA CHOUDARI, C.
97. SESA REDDI, B. P.
98. SHETTY, A. B.
99. SIMHACHALAM, GADE
100. SINGAM AYYANAR, K.
101. SIVA RAJ, N.
102. SIVASUBRAHMANYA AYYAR, K. S.
103. SLATER, I. C. S., S. H.
104. SMITH, I. C. S., E. C.
105. SOUNDARA PANDIAN, W. P. A.
106. SRESTHA, M. S.
107. SRINIVASA AYYANGAR, T. C.
108. SRINIVASAN, RAO BAHADUR R.
109. SRIRAMUBU, F.
110. STOKES. I. C. S., THE HON MR. H. G.
111. SUBBARAYAN, DR. P.
112. SUBRAHMANYA BHATT, U. C.
113. SUBRAHMAYA CHETTI, RAO SAHIB P.
114. SUNDARA RAO NAYUDU, T.
115. SYED TAJDUDIN, KHAN SAHIB
116. THOMAS, DANIEL
117. THORNE, I. C. S., J, A.
118. TGTENHAM, I. C. S., G. R, F.
119. VASUDEYA PILLAI, V. G.
120. VEDACHALA MUDALIYAR, M.
121. VENKATACHALA REDDIYAR, K. C. M.
122. VENKATARAMA AYYAR. K. R.
- 123.
124. VENUGOPAL NAYUDU, RAO BAHADUR R. K.
125. STANES F. J.
126. YAHYA ALI, KHAN BAHADUR
127. YAKUB HASAN
128. ZAMINDAR OF BODINAYAKKANUR (T. V. K. KAMA RAJA PANDIA NAYAKAR)
129. ZAMINDAR OF CHEMUDU (SRI VYRICHEYLA NARAYANA GAJAPATI RAJU)
130. ZAMINDAR OF ETTAYAPURAM (RAJA JAGA VEERA RAMA KUMARA VENKATESWARA ETTAPPA NAYAKAR AYYAN)
131. ZAMINDAR OF KIRLAMPUDI (SRI RAJA RAVU RAMAKRISHNA RANGA RAO
132. ZAMINDAR OF MIRZAPURAM (MIRZAPURAM RAJA ALIAS VENKATARAMAYYA APPA RAO).
133. STRATHIE, I. C. S., D. N.
134. NEWCOMB, LT.-COL. CLIVE.
135. APPU NAYAR, P.

THE MADRAS LEGISLATIVE COUNCIL

The Budget session of the Madras Legislative Council commenced at Madras on the 24th. FEBRUARY 1932, the Hon. Mr. B. Ramachandra Reddy presiding. The question hour was unusually lively. There was a string of interpellations relating to the alleged police excesses in connection with the dispersal of unlawful assemblies arising from civil disobedience. Replying to them *Sir Mohamed Oosman*, Home Member, stated that instructions had been issued that only the minimum force be used. The Home Member agreed to give effect to a suggestion of Dr. Subbaroyan, the Opposition leader, that in view of the apprehension among the public that the mere wearing of Khaddar itself was looked upon by the police as an offence, Government should issue instructions making it clear that it was not so.

BUDEET FOR 1932-33

Introducing the Budget for 1932-33, today Mr. H. G. Stokes, Finance Member, made the following preliminary observations :

So far as politics is concerned the period under review has been almost entirely covered by the duration of the Irwin-Gandhi Pact. This interval which was from the outset declared by certain Congress leaders to be merely a truce or armistice had been employed by them mainly in attempting to reorganize and strengthen their organisation while keeping the civil disobedience movement before the public eye by the campaign of picketing of foreign cloth shops and liquor shops. These activities, although ostensibly nonviolent, have contributed to sustain the atmosphere of turmoil and the attitude of contempt for authority, the existence of which forced the Government in 1930 to strengthen their police forces and has rendered it impossible to effect in the police expenditure many economies which in quieter times might have been feasible. They have also contributed to some extent to a decline in the excise revenue, though it is probable that for this collapse we have to thank mainly the general economic depression. Now the 'pact' has come to an end and although we may hope for a great improvement as the labours of the various committees engaged in evolving the future constitution of India and the provinces proceed, it would certainly be unwise to base our financial expectations on too sanguine a footing. The situation, whether we regard it from the agricultural and economic or from the political standpoint is not such as to justify any but a most conservative estimate of revenue and a most restricted and cautious policy of expenditure.

Discussing the figures for 1932-33, Mr. Stokes said the Government estimated the total revenue at 1,503.61 lakhs, which fell short of the revised estimate for 1931-32 by 46.48 lakhs and of the budget estimate of revenue for the same year by no less than 2.36 lakhs. The figures disclosed slight increase under land revenue, forest, registration and miscellaneous departments.

GENERAL DISCUSSION OF BUDGET

The general discussion of the Budget was held from the 26th. to 29th. FEBRUARY. Mr. *Mahomed Schammad* suggested the abolition of Ministry until the introduction of further reforms as a means of retrenchment. Another member asked for the abolition of the Revenue Board.

Several members congratulated the Finance Member on producing a balanced budget.

The Rajah of Parlakemedi declared that the Retrenchment Committee should not apply its scissors to the Police Departments.

"The Crush Congress" slogan will no more be profitable than was the 'Hang Kaiser' slogan after the war", declared Mr. *Chetty* criticising the Government's attitude towards the Congress. Several other members also spoke in the same strain. The Finance Member was criticised for not initiating the steps for the abolition of supernumerary appointments and departments. Mr. *James* urged the Finance Member to fight strenuously against the introduction of provincial contribution. Satisfaction was expressed that the budget had been balanced unlike as in some sister provinces.

The *Home Member*, regarding the complaints of excessive use of force by the police, said that if specific instances were brought to Government's notice they would take disciplinary action against those concerned. He added that reports of incidents were often exaggerated and were found to be untrue on an enquiry.

The *Finance Member*, speaking last, said that it was not the policy of the Government to repress or extinguish the political aspirations of the people. The Government was anxious to evolve a constitution which could enable India to realise her ambitions. The special measures were designed to counteract the agitation which would undermine law and order and also respect for authority.

VOTING ON BUDGET GRANTS

11th. MARCH :—The Council voted to-day the entire demand for land revenue administration amounting to Rs. 19,05,200 without any cut. A token cut motion by *Mr. Arokiasami Mudaliar*, ex-Minister, to discuss the Government's land revenue policy was lost by 26 against 31 votes. The demand under excise was under discussion when the House adjourned. Several Opposition members supported *Mr. Arokiasami Mudaliar's* cut motion to discuss the excise policy of the Government, pleading the introduction of total prohibition, at least in one district.

After question time, *Mr. Abdul Hameed Khan* moved that the business of the House be adjourned for the purpose of discussing a definite matter of urgent public importance, namely, the need of continuation for another year of the reduced rate of Rs. 7 as. 8 per seat for motor vehicles plying for hire under the Motor Vehicles Taxation Act.

The *President*, disallowing the motion, said that under Rule 12 of the Council Rules a motion for adjournment must be for discussing a definite matter of urgent public importance and one of the restrictions mentioned in Rule 12 of the Council Rules must be restricted to a specific matter of recent occurrence. 'This motion does not relate to any matter of recent occurrence at all, but practically recommends to the Government that the particular policy which they had been following for the last one year should be continued for another year. This recommendation could have been made at any time in the course of the year. Further, during the course of the discussion of demands for grants no adjournment motion should be allowed except in the case of grave emergency or for the purpose of checking the recent grievance which, if unchecked, might become irremediable.

12th. MARCH :—Replying to the criticisms of the Government's excise policy on a token cut to-day the Excise Minister said that total prohibition was the accepted policy of Government, but if at present they gave effect to the programme of prohibition it would not only mean a loss to Government but they would have to incur large expenditure for the pay of an additional preventive staff and asked hon. members if they were prepared to vote money for this purpose. Government had been driven to the necessity under a national emergency of cutting down temporarily the pay of their servants. He appealed to the House to have patience in pursuing methods of prohibition. If after finding more money, Government had something left, they would consider how that money could be spent for prohibition. What Government had been able to do at present was to keep going on with the experiment in prohibition that had already been started.

The Excise demand was voted fully, the cut motion criticizing Government's excise policy being lost without a division.

The question hour was unusually lively to-day. Replying to a question regarding the number of 'peaceful picketers' injured by a *lathi* charge, the *Home Member* said: Government do not accept the assumption that any person who is not a member of an unlawful assembly likely to disturb public tranquillity has been injured in a *lathi* charge.'

Replying to *Mr. Hameed Khan* with reference to *Dr. Paton's* case the *Home Member* said that *Dr. Paton* was a member of an unlawful assembly. He was not dealt with individually. (Opposition cries of 'no, no'.) The *Home Member* added he was a member of a crowd which was becoming boisterous and the police had to disperse it by force.

The *Home Member* was considerably heckled when questions were put regarding the *Tellicherry thali* incident. He said *Mr. Dodwell* had expressed regret to Government and the *Home Member* repeated that none regretted the unfortunate incident more than Government.

14th. MARCH:—The Council voted to-day Rs. 8,264,600 under 'irrigation', excluding the Cauvery Mettur project.

Replying to a cut motion, which was withdrawn, the Revenue Member said that the maintenance and repairing charges of irrigation channels in deltas had considerably increased and assured the House that improvements would be carried out as far as financial conditions allowed.

The desire of speeding up further instalment of Reforms and the establishment of provincial autonomy with an All-India Federation as early as possible was voiced by Mr. Venkataramayya (Justiceite) by a token cut on the Home Member's demand for Rs. 284,600 under the heads of Pensions and Executive Councils (Reserved). The speaker urged that Government should rest on people's consent by satisfying their legitimate political aspiration.

Dr. Subbaroyan, the Opposition leader, said that no purpose could be served by cut motions of this sort, because even if the cut motion was carried that would not bind the Government. He wanted a non-official day to be allotted for the discussion of a comprehensive resolution, and announced that his party would not participate in the debate.

Mr. F. E. James, a European planting member, said that the European community in the country was as sincere as any other community in pursuit of federation with responsible Government in the provinces.

The Chief Minister, on behalf of the Justice Party, said that they were behind none, not even the Congress, in demanding complete Swaraj, provincial autonomy with responsibility at the centre. Mere provincial responsibility without central responsibility was unacceptable.

The Home Member replying said that Government was for speeding reforms and assured the House that copies of the debate will be forwarded to the Government of India and the Franchise Committee.

15th. MARCH:—In the Council to-day the *Kumararaja of Venkatagiri* moved a token cut reducing the allotment of Rs. 2,28,400 for legislative bodies (reserved) to discuss the desirability of constituting the Legislative Council secretariat.

The Home Member replying said the Council office for all practical purposes was now separate from the secretariat and the question of separating the same from the secretariat would be considered when new reforms are introduced. The motion was withdrawn.

The Council voted next Rs. 8,264,600 under Irrigation (Reserved) excluding the Cauvery Mettur Project.

Replying to a cut motion which was withdrawn, the Revenue Member said that the maintenance and repairing charges of irrigation of channels and deltas had considerably increased. He assured the House that improvements would be carried out as far as financial conditions allowed.

16th. MARCH:—The Council to-day asked whether it was a fact that three Congress pickets in Mangalore were beaten with lathis by the police on the head, face, neck and body last week in January.

The Home Member said that seven pickets and other volunteers who refused to disperse despite warning were dispersed by force. None was beaten on the neck, face or head deliberately but one volunteer who turned back and fell accidentally received a blow on the head. The Home Member added that Government found no necessity to hold open enquiries in such instances.

The Minister's policy was criticised by the Opposition on a token cut in demand made by the Chief Minister.

The mover of the cut motion characterised the Motor Vehicles Taxation Act introduced by the Chief Minister as an ill-conceived measure and held the Ministers as much responsible as the Reserved half for the repressive policy.

Dr. Subbaroyan, the Opposition leader, said that if the constitutional problem could be solved, it could be solved only with the aid of Congress. He was voicing the feeling of the masses when he declared that it could not be solved without Mr. Gandhi.

The Chief Minister replied answering the criticisms. As regards the repressive policy, he said, it was a question of an All-India concern and the Government were taking care that the excesses complained of did not recur.

The cut motion was lost without division.

17th. MARCH:—After question-time in the Council to-day, the leader of the Opposition asked the Home Member whether the Government had received any report on the dispersal of a Buy Indian League procession at Narsapur.

Sir Mohamed Usman said as soon as the matter was brought to his notice he telegraphed to the district magistrate whose report, now received, stated: 'On the 12th, 13th and 14th of March, the Congress activities were renewed under the cloak of the Buy Indian League. Procession were organised for collecting crowds in the public bazar, for carrying the Congress tricolour flags and singing Congress slogans. The police seized the flags and the 'Buy Indian' placards carried by volunteers and dispersed the unlawful assemblies, using the minimum force. Legitimate 'Buy Indian' activities were not interfered with.'

The Home Member informed the House that the Government had issued the following instructions to the district magistrates and the police commissioner:—'The Buy Indian League is being addressed to get into touch with the district magistrates and the commissioner of police before they start operations, so that misunderstandings may not arise. Meanwhile the district magistrates and the commissioner should issue instructions to the effect that there should be no interference with the activities of the Buy Indian League so long as they do not transgress the law. The Government wish to avoid all appearance of interference with legitimate advertisement of Indian goods. So there is particular need for discretion on the part of all officers'.

POLICE EXCESSES CONDEMNED

The Council then voted the entire demand under 'Jails, reserved' amounting to Rs. 21,46,500.

Strong condemnation of the police methods in dealing with the civil disobedience movement was voiced by the Opposition on a cut motion made by Mr. Arokiasami Mudaliar, when the police demand amounting to Rs. 1,54,10,600 was under discussion. Mr. Mudaliar opined that if the Government thought that the present methods of dealing with civil disobedience were calculated to create a favourable atmosphere for the impending constitutional reforms they were under a delusion. These methods, he maintained, alienated public confidence. The speaker urged the adoption of a more humane policy in dealing with civil disobedience if they wished to have the loyal support of law-abiding citizens.

Dr. Subbarayan, the Opposition leader, supporting the motion, strongly denounced the present policy.

Several speakers urged a judicial enquiry into the alleged police excesses.

The Home Member, replying, said that the Government had no option but to take up the challenge to law and order.

The cut motion was negatived by 60 votes to 30, three members remaining neutral, and the entire police demand was voted.

LATHI CHARGES ON MOBS

18th. MARCH:—An extract from the police gazette dated August 2, last, regarding lathi charge on mobs was the subject of a series of supplementary questions in the Council to day, replying where to the Home Member admitted that orders were given therein to the police to charge with lathis with full force on the face and neck, but these instructions applied only to the case of formidable and violent mobs, and that, where considerable resistance to dispersal was unlikely, the force employed by the police should be carefully regulated by what was required to effect dispersal, and blows should not be directed at the heads or faces of the opponents, and few blows with switches or light canes should be sufficient to disperse very small assemblies.

The Home Member added that instructions were issued in the ordinary course of business as it was part of the duty of the police to deal with riotous mobs of any description and that it had nothing to do with the civil disobedience movement nor had any connection whatever with the political situation.

HYDRO-ELECTRIC SCHEMES

After questions, the demand for Rs. 34,62,000 under electricity was taken up. The Law Member replying to a cut motion said the Government had sunk more than one and a quarter crores in the Pykara hydro-electric scheme. It was a business concern and there was an obligation to the taxpayer that the Government should derive some profit from the scheme. It was hoped

that power from the Pykara would be generated before the end of the year, whereafter the Government proposed to take on hand the Periar and Mettur schemes. The entire demand was passed.

During questions, Dr. Subbarayan asked whether the Government have communicated Mr. Dodwell's letter of apology to Mrs. Prabhu. The Home Member replied that the communication of Mr. Dodwell's letters to Mrs. Prabhu is in the opinion of Government not in public interest.

Mr. Abdul Hamid Khan cited the instance of the Home Member of the Government of India agreeing to send apology to a prisoner in a similar case,

The Home Member: I have nothing to add.

Mr. Basheer Ahmed: Will the Home Member follow the Secretary of State who expressed regret for Dr. Paton's case and also expressed regret to Mrs. Prabhu?

Home Member: I have already answered the question.

The Home Member during a reply to a cut motion on the police grant stated that the Inspector General of Prisons had been instructed to convey the communique containing regret to Mrs. Prabhu.

19th. MARCH:—At question time in the Council to-day it was elicited that up to the end of February, 1246 persons were convicted in the Presidency in connection with the Civil Disobedience Movement of which 539 were sentenced over six months and the fines imposed amounted to Rs. 91,760.

Regarding the seizure of photos of national leaders from individuals or business places, the Home Member denied any order of being issued to the police in this connection but said that the pictures and portraits of leaders of the Civil Disobedience Movement should be considered to have come under the purview of Emergency Powers Ordinance and if so they would be unauthorised news sheets and as such the police have been empowered to seize the same. He added that the power of order of destruction of such photos was conferred on certain Magistrates.

21st. MARCH:—A series of supplementary questions were put in the Council to-day during the question time regarding the use of force by the police against pickets.

The Home Member stated that though instruction had already been issued not to disperse an assembly of less than four by force, he would consider the suggestion of issuing further instructions to the effect. The Home Member promised to consider the question of advising medical officers to issue wound certificates on payment of fees.

After question time, Mr. Venkatarama Iyer (Madura) moved an adjournment motion to discuss a matter of urgent public importance, namely, the recent alleged disclosures in Dr. Subramanayam's case in Rajahmundry that certain persons were compelled by the use of force by the Rajahmundry police to remove the Khadder cloths they were wearing and burn them and buy and wear foreign cloth.

The President ruled the motion out of order stating that the occurrence was not a recent one and the matter which was under the enquiry of the court should not form the subject of an urgent motion. He added that since there had been no repetition of such an occurrence, there was no urgency in the matter.

The Chief Minister then moved a demand for Rs. 20,99,800 under 'Public Health.'

Mr. A. B. Shetty moved a cut motion to discuss the public health policy of the Government. The speaker made a strong plea for birth-control propaganda, which he said should be considered as an essential part of the programme of work of the public health department. He quoted the opinion of eminent medical men in support of his suggestion. He added that birth control clinics should be established throughout the province.

22nd. MARCH:—When the demand under industries was moved to-day Mr. Basheer Ahmed drew attention to alleged mismanagement as disclosed by the audit report in certain sections of the Industries department.

The member from Madura vehemently criticised the present policy which he declared was stifling the Swadeshi industry and suppressing Swadeshi propaganda by force. The speaker instanced the cases of Narasapur, Rajahmundry and other places where he alleged the police molested people advocating Swadeshi and Khaddar.

The Minister of Industries raised a point of order that the speaker was criticising the police administration and not industries.

The President ruled the speaker in order as he was merely pointing out that the Government were adopting a policy which would have a reaction on Swadeshi. The discussion was not concluded when the House rose for the day.

23rd. MARCH:—Answering an interpellation in the Council to-day regarding the withdrawal of the complaint against Dr. Paton, the Home Member stated the complaint was withdrawn under the orders of the police commissioner with the knowledge of the Government. A copy of the commissioner's order annexed to the printed answer stated: 'As Dr. Forrester Paton was the only person against whom proceedings in court were instituted as the result of picketing in George Town on Jan. 15, and as he has now left Madras and there is reason to believe he will not take part any further in the proceedings of the Congress that has been declared illegal, the case against him be withdrawn.'

Replying to another question, the Home Member stated there had been 31 cases in which prosecutions connected with the civil disobedience movement had been withdrawn. The Government had no information as to the details of these cases but would inquire. Asked whether the Secretary of State for India had called for an explanation or a report from Government of the facts relating to the action of the police in beating and ill-treating Dr. Paton and why the prosecution was withdrawn and whether Government replied to the Secretary of State, the Home Member said there had been correspondence between this Government, the Secretary of State and the Government of India on the subject of Dr. Paton's case and added the Government were not prepared to lay copies of the cablegrams as correspondence on the table of the House. Questioned whether the prosecution of Dr. Paton was launched after due consideration by Government, the Home Member stated the prosecution was instituted by the commissioner without reference to Government. Asked whether Dr. Paton filed a written statement denying the charge made against him and challenging the truth of the story and whether the withdrawal of the case before the magistrate was made subsequently, the Home Member said the commissioner's order directing the withdrawal of the case was passed on Jan. 26 and the Government understood that Dr. Paton's statement was filed on the same day and in the High Court on the 28th. The Home Member said in reference to another question that Dr. Paton and Dr. Hogg called at the secretariat and saw the chief secretary on Jan. 16. As the chief secretary learnt that a charge was to be laid against Dr. Paton he declined to discuss the occurrence with them.

THE CO-OPERATIVE SOCIETIES BILL

The Council then passed into law a *Bill to consolidate and amend the law relating to the cooperative societies* in the presidency. Among other changes the Bill provides for a greater measure of control by non-official bodies over the cooperative societies with a view to secure their cooperation in the expansion and progress of the cooperative movement.

24th. MARCH:—After interpellations to-day, His Excellency Sir George Stanley, the Governor, addressed the Council. In the course of his speech, H. E. said—“Further proof of determination on the part of the British Government to press on with reforms constitution have been given by various committees which have been and are still teaching the country to obtain necessary data to enable reformed constitution to be launched. His Excellency added: “That being so I would ask as to what can possibly be gained by the Civil Disobedience Movement which has unfortunately been raised again. Can it be expected that it will expedite matters when already all are working continuously to obtain the desired end? Is it not far more likely to hamper than to assist the working of reforms—moreover at a time which is acknowledged, on all hands, to be extremely difficult when trade requires the best efforts of all concerned to lift it from depression into which it has sunk? Would it not be better for all to co-operate towards that and instead of embarking a movement which in its very essence is entirely disruptive, and if successful would bring all ordered Government to an end; and which must be resisted here and now if Self-Government, which I trust will soon be an accomplished fact, is not to be crippled at the outset by a precedent which that movement is setting up.”

The Council was then *prorogued*.

THE MADRAS LEGISLATIVE COUNCIL

LIST OF MEMBERS.

President :—The Hon. Sir Ali Mahomed Khan Dehlavi

1. ABDUL LATIF HAJI HAJRAT KHAN BAHADUR
2. ACHREKAR, MR. ATMARAM BHIMAJI
3. ALLAHBAKSH WALAD KHAN SAHEB HAJI MAHOMED UMAR. KHAN BAHADUR.
4. AMBEDKAR, DR. B. R.,
5. ANGADI, RAO BAHADUR S. N.
6. ASAVALE, RAO BAHADUR RAM-CHANDRA SANTURAM
7. BAKHALE, MR. R. R.
8. BALOCH, MR. HAJI MIR MAHOMED
9. BANGI, MR. ABDUL KADIR JAMALUDDIN,
10. BELI, MR. R.D., C.S.J., C.I.E., I.C.S.
11. BHURGRI, MR. JANMAHOMED KHAN WALIMAHOMED KHAN.
12. BHUTTO, SIR SHAH NAWAZ KHAN GHULAM MURTAZA KHAN, KT.,
13. BHUTTO, MR. WADERO NABIBUKSH ILLAHIBAKSH
14. BJARANI, KHAN BAHADUR SHER MUHAMMAD KHAN KARAM KHAN
15. BIRADAR. SARDAR MAHABOOBALI KHAN MOHAMED AKBAR KHAN.
16. BOLE, RAO BAHADUR SITARAM KESHAV
17. BOWERS, MR. P.L.,
18. BRANDER, MR. J. P., I. C. S.
19. BULLOCKE, MR. ALFRED GUY GREVILLE
20. CHIKODI, MR. P. R.,
21. CHITALE, RAO BAHADUR GANESH KRISHNA,
22. CLAYTON, MR. H. B., C.I.E. I.C.S.
23. COLLACO, DR. J. A., L. M. & S.
24. COOPER, KHAN BAHADUR DHANJISHAH BOMANJI
25. DAVIS, MR. G., I. C. S.
26. DEHLAVI, THE HONOURABLE SIR ALI MAHOMED KHAN, KT.,
27. DESAI, RAO SAHEB BHAGWANDAS, GADADHARDAS
28. DESAI, MR. HANMANTRO RAMRAO
29. DESAI, MR. SHANKARAPPA BASALINGAPPA
30. DHALUMAL LILARAM, MR.
31. DIXIT, DR. M. K.,
32. D'SOUZA, DR. JOSEPH ALBAN
33. FREKE, MR. O. G., I. C. S.
34. GANGOLI, MR. GANAPATI SUBRAO,
35. GHULAM HYDER SHAH SAHIBDINO SHAH, MR.
36. GHULAM NABI SHAH MOUJALI SHAH (SAIYED), KHAN BAAADUR.
37. GILDER, DR. MANCHERSHA DHANJIBHAI, M. D.
38. GOKHALE, MR. LAXMAN RAGHUNATH,
39. GOVER RORA, MR.
40. HADDOW, MR. R. R.
41. HUMPHREY, MR. JOHN, O. B. E.
42. JAM JAN MAHOMEDKHAN WALAD JAM MAHOMED SHARIFF, KHAN BAHADUR
43. JAN MAHOMED KHAN WALAD KHAN SAHEB SHAH PASSAND KHAN, KHAN BAHADUR.
44. JITEKAR, MR. HAJI IBRAHIM
45. JOG, MR. VISHWANATHRAO NARAYAN, B.A., LL.B.
46. JONES, MAJOR W. ELLIS
47. KADRI, MR. JALALUDDIN SAIYEDMIAN
48. KALBHOR, MR. GANGAJIRAO MUKUNDRAO
49. KALE, RAO BAHADUR RAOJAI RAMCHANDRA
50. KAMAT, MR. B. S.
51. KAMBLI, THE HONOURABLE DEWAN BAHADUR SIDDAPPA TOTAPPA,
52. KARBHARI, MR. MANCHERSHAW MANEKJI
53. KHURO, KHAN BAHADUR MUHAMMAD AYUB SHAH MUHAMMUD.
54. KIRKE-SMITH, MR. A.
55. KULKARNI, RAO SAHEB PANDURANG DNYANESHWAR
56. LANE, MR. C. M.
57. P. B. ADWANI ESQ.
58. MADHAVSANG JORBHAI, MR.
59. MATCHESWALLA, MR. GULAM-HUSSEN EBRAHIM
60. MC ELHINNY, MR. G. W., I. C. S.
61. MEHERBAKSH, MR. S.
62. MEHTA, MR. MANILAL HARILAL,
63. MODAK, REV. R. S.
64. MODI, SARDAR DAVAR TEMURAS KAVASJI, BAR-AT-LAW
65. MONTEATH MR. J., I.C.S
66. MORE, MR. JAYAWYNT Ghanasham
67. NAIK, RAO BAHADUR BHIMBHAI RANCHHODJI
68. NAMDEORAO BUDHAJIRAO, MR.

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| <p>69. NAVLE, MR. NAMDEV EKNATH, LL.B.</p> <p>70. OWEN, MR. ALBERT CLIFFORD</p> <p>71. PARULEKAR, RAO BAHADUR LAXMAN VISHNU</p> <p>72. PATEL, KHAN BAHADUR ALIBHAI ESABHAI</p> <p>73. PATEL, MR. CHATURBHAI NARSHIBHAI LL.B.</p> <p>74. PATIL, MR. NARAYAN NAGOO</p> <p>75. PATIL, RAO BAHADUR DONGAR-SING RAMJI,</p> <p>76. VACANT</p> <p>77. PATIL, RAO SAHEB VAMAN SAM-PAT</p> <p>78. PATIL, MR. VITHAL NATHU.</p> <p>79. PERRY, MR. E. W., C.I.E. I.C.S.</p> <p>80. PETIT, MR. JEHANGIR BOMANJI</p> <p>81. PRADHAN, RAO BAHADUR GOPAL-RAO VAMAN,</p> <p>82. PRATER, MR. S. H., F.Z.S.</p> <p>83. RAFIUDDIN AHMED</p> <p>84. RAHIMTOOLA, MR. HOOSENALLY,</p> <p>85. RESALDAR, MR. ABDUL RAHMAN KHAN KARAM KHAN</p> <p>86. ROOSE, MR. F. O. J.,</p> <p>87. SAHEBSINHJI JUVANSINHJI, MR.</p> <p>88. SHAIKH ABDUL AZIZ ABDUL LATIF, MR.</p> <p>89. SHAIKH ABDUL MAJID LILARAM, MR.</p> <p>90. SHANKARRAO JAYARAMRAO ZUN-ZARRO, MR.</p> | <p>91. SHINDE, MR. RAMCHANDRABAO BAPURAO, B.A., LL.B.</p> <p>92. SOLANKI, DR. PURUSHOTTAMRAI G.</p> <p>93. SPENCER, MR. A. B.</p> <p>94. SURVE, MR. A. N.</p> <p>95. SURVE, MR. VYANKAT ANANDRAO</p> <p>96. SYED MIRAN MAHOMED SHAH ZANULABDIN SHAH, B.A., LL.B.</p> <p>97. SYED MUHAMMAD KAMIL SHAH KABUL MUHAMMAD SHAH</p> <p>98. SYED MUNAWAR, MR.</p> <p>99. TALPUR, MIR BANDEHALI KHAN MIR MUHAMMAD HASSAN KHAN</p> <p>100. THAKOR OF KERWADA, SARDAR BHASAHEB ALIAS DULABAWA RAI-SINGHJI</p> <p>101. TOLANI, MR. SATRAMDAS SAKHA-WATRAI</p> <p>102. TURNER, MR. C. W. A., C.I.E. I.C.S.</p> <p>103. VAISHAMPAYAN, DR. VISHNU GA-NESH</p> <p>104. VAKIL, PESTANSHAH N., MR.</p> <p>105. VAKIL, THE HONOURABLE SARDAR SIR RUSTOM JEHANGIR, KT.</p> <p>106. VANDEKAR, RAO SAHDB RAM-CHANDRA VITHALRAO</p> <p>107. WADKE, MR. BHOLANATH PURU-SHOTTAM,</p> <p>108. WILES, MR. G., C.S.I. C.I.E., I.C.S.</p> <p>109. WINTERBOTHAM, MR. G. L.</p> <p>110. VACANT</p> <p>111. "</p> <p>112. "</p> |
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THE BOMBAY LEGISLATIVE COUNCIL

THE GOVERNOR'S OPENING ADDRESS

The Budget Session of the Bombay Legislative Council commenced at Bombay on the 17th. FEBRUARY 1932, the Hon. *Sir A. M. K. Dehlavi* presiding. His Excellency Sir Frederick Sykes, the Governor in opening the session said :

"We will not permit coercion. We will enter into no treaties with law breakers. Let me warn those who resort to these methods, that they must be prepared to suffer the full legal penalties which they have deliberately provoked by embarking on this line of action."

His Excellency devoted the major part of his speech to the political situation. He felt extremely gratified that the Government by ordinances, though unfortunate, was nothing when compared with the Public Safety Act in Ireland and the Defence of the Realm Act in England.

Continuing, Sir F. Sykes said that the present political crisis was precipitated by the Congress, which was making preparations and keeping alive the war mentality. The Congress was not prepared to adhere to constitutional methods. They demanded, under threat of the civil disobedience, unconditional surrender on the part of the Government which has left no alternative between accepting the challenge or abdicating. The quarrel was forced upon the Government.

Referring to the Ordinances, the Governor said that they appeared comparatively milder to the Irish Public Safety Act. The Government had to take prompt measures to save peaceful citizens from again being exposed to the reign of terror witnessed in Sholapur, Malegaon, Viramgaon and Ahmedabad, and carried out by Congressmen. Congress was paying only lip service to non-violence. The Government could not forsake its elementary duty of protecting the liberty of the people. The Ordinances were only emergency measures, which would disappear when the emergency passes.

Turning to the financial situation, His Excellency confessed that despite the sign of improvement the position was causing the Government very grave anxiety. The first essential for trade revival was the restoration of law and order. The unpatriotic and suicidal action of a section of the merchants in supporting the Congress, would bring ruin to themselves and the city. Business must go on. The continued closing of the markets worked havoc. Sanity lay in keeping business and politics apart. The Government were determined to ensure peace to build the new constitution under which, India, in due course, would become an absolutely equal partner with the other Dominions under the Crown. Sporadic outbreaks of disorder hindered progress. His Excellency appealed to the House for co-operation in the hour of need.

Touching the Government's budget, Sir F. Sykes said that only extreme financial pressure induced his Government to levy fresh taxation. Retrenchment to the farthest limit had been carried out. The Government proposed to reorganise the administrative machinery to further reduce the cost of Government. It had a complete scheme ready for the reduction of the Cabinet to four, two Members and two Ministers. He doubted the advisability of giving effect to it at this critical juncture, without dislocation, when other constitutional charges were fast approaching.

BUDGET FOR 1932-33

Sir Govind Balwant Pradhan, Finance Member, then presented his Budget estimates for 1932-33. In the course of his speech the Member observed that the position of the Government was even worse than in November last. The Government had 75 lakhs deficit. The Government had decided to obtain the best expert advice in investigating the general system of administration with a view to ascertaining whether it was impossible by reorganisation, to reduce the Government's general expenditure to a figure more in consonance with their resources. It was hoped to secure the services of Sir F. Gauntlett. His intimate acquaintance with the administration of all the provinces would give great authority to his recommendations. Proceeding, Sir Govind said that the Rayatwari system of land tenure added greatly to the cost of the Government's administration. Coming to Sind, he added that even if the separation of Sind, the administration of which was costing the

Government much, proved practicable, there would be a deficit to a considerable extent in the Government's finances.

Concluding, the Finance Member said: "We may have to reduce our standard of living, but if the Government could count on the co-operation and support of the House, there is no reason why Bombay should not retain its proud position in the new constitution as the first province in India."

The Finance Secretary to the Bombay Government in his Budget note said:

"The year 1931-32 opened with a balance of Rs. 77 lakhs of which Rs. 75 lakhs were in the famine relief fund. The Budget-estimates provided for Rs. 61 lakhs deficit. The eight-monthly revised estimates show a fall in revenue below anticipations of Rs. 73 lakhs. On the other hand, the expenditure debitable to revenue has also been reduced by Rs. 23 lakhs, so that the original estimated deficit of Rs. 61 lakhs is expected to be increased to Rs. 111 lakhs. The whole of this deficit will be met by borrowing in the ensuing year. The total estimate of revenue for 1932-33 amounts to Rs. 1,435 lakhs, and the expenditure debitable to revenue to Rs. 1,508 lakhs, the uncovered deficit being Rs. 73 lakhs. In arriving at this deficit, account has been taken of the postponement by one year of the payment of the fixed instalments of the principal due on account of the loans taken from the Provincial Loans Fund. The Government of India have also sanctioned the postponement of the last instalment amounting to about Rs. 16 lakhs of the pre-reform debt.

"The expenditure for 1932-33 has been swollen by Rs. 13 lakhs under super-annuation charges, Rs. 15 lakhs under the head "Interest on Sind Barrage loan", Rs. 14 lakhs under interest charge on the development loan, Rs. 4 lakhs in respect of guarantee to the new Sind Railway, and Rs. 10 lakhs on the Nasik Distillery. It is estimated that the proposals in the Finance Bill cover Rs. 98 lakhs. Of this deficit Rs. 6 lakhs will be met by the surplus under the capital balance. Rs. 39 lakhs has been included in the loan which it is proposed to borrow from the Provincial Loans Fund."

GENERAL DISCUSSION OF BUDGET

18th. FEBRUARY:—General discussion on the Budget proposals was opened by the Opposition benches, the main burden of the speeches being vigorous attack on the Government's failure to give full effect to the major recommendations of the Retrenchment Committee. The members also condemned the Government's policy of starving the nation-building departments.

Mr. Jehangir Petit, after condemning the "cuts" in the Educational grants, opined that the rule by Ordinances was seriously hampering trade and commerce by creating an uncertainty in the minds of the business community. He made an earnest appeal to the Government to end Ordinance Rule at the earliest possible moment and thus restore normal conditions.

Mr. Winterbotham (European) said that the supreme needs of the moment were peace, retrenchment and reform. So far as peace was concerned, he opined that it could not be had until the present situation changed, and said he did not share the views of Mr. Petit that the mere withdrawal of the Ordinances would improve matters. Regarding retrenchment, he welcomed the Government's proposal to appoint an expert Committee to overhaul the administrative machinery and to reduce the size of the Governor's Cabinet. He urged that immediate effect should be given to the latter proposal. Regarding reforms, Mr. Winterbotham said that it would be disastrous to have provincial autonomy, although he has been in favour of it always, until a more just and equitable financial settlement was made for the province.

Rao Bahadur Kale urged the Government to be more humane and less humiliating in their administration of the Ordinances, and quoted the instance of Dr. Dixit being hauled up by the police for unknowingly giving shelter to a Congressman.

19th. FEBRUARY:—Resuming the debate to-day *Mr. R. R. Gokhale* (Poona) contended that all sources of retrenchment should be tried before fresh taxation was levied.

Dr. Gilder (Bombay) deplored the Government's decision to cut down Medical grants and urged the Government to effect economies in other directions.

Mr. W. F. Hudson, Revenue Member, entered on a vigorous defence of the Government's Budget proposals, and told the critics of the Government, that the Government had done their utmost to give effect to the recommendations of the Retrenchment Committee. Reviewing the agricultural situation, the Revenue Mem-

ber said that the Government, during the past year, had given relief to agriculturists to the extent of over Rs. 25 lakhs in the form of special concessions and remissions of land-revenue. In addition, the Government had also postponed giving effect to the enhanced sale of land revenue in certain districts, and had decided not to demand payment of the old arrears. Referring to the current year, the Revenue Member said that the Government had decided to suspend three annas in the rupee in the Colaba, Bombay Suburban, Thana and Ratnagiri Districts, which meant a good remission. Besides this the Government were also making certain concessions in the Ahmednagar and Belgaum Districts. He assured the House that the Government had not lost sight of the agriculturists, in their anxiety to balance their Budget. Mr. Hudson maintained that any concessions to the agriculturists, beyond what was absolutely necessary, would be unfair to the general taxpayer. So far as Sind was concerned, the Revenue Member concluded that the Government were awaiting a report from the Commissioner and would decide thereafter.

Mr. G. Wiles, Finance Secretary, met the criticism of the non-official members, regarding the Government's reluctance to effect retrenchment, by saying: "You cannot go on governing a great province by retrenchment, no more than can you go on governing by Ordinances." He asked the House not to concentrate their attention on the past but to look to the future and face facts as they were. Concluding, he said that he would be shortly proceeding to Delhi to give evidence before the Federal Finance Committee, and there urge upon the Committee the necessity for an equitable financial settlement for the province.

20th. FEBRUARY:—More non-official members came forward to speak on the Budget to-day as it was the last day and the main trend of their speeches was a vigorous attack on the proposed additional taxation. Non-official members contended that the Government had not effected enough retrenchment and therefore the demand for fresh taxation was unjustified.

Replying to criticisms raised by non-official members that the Government had spent over fifteen crores on buildings alone during the last fifteen years, *Sir G. B. Pradhan*, Finance Member, said it was not correct to say all the fifteen crores were spent on buildings alone because they were spent on unproductive purposes. Referring to the insistent demand of the House during the last three days for more and more retrenchment, the Finance Member said Government had already given effect to as many recommendations of the Retrenchment Committee as possible and besides those recommendations the Government had also effected certain other retrenchments and were still considering reorganisation of the Administrative system. As such the Government had gone further with retrenchment than the recommendations of the Committee and there was not scope for further retrenchment. Past experience showed the expected revenue was never realised and under the circumstances the Government had no course but to levy fresh taxation. Under such circumstances, asked the Finance Member, were the Government to sit quiet and go on borrowing thinking that conditions would improve and the Government would be able to realise the estimated amount of revenue? "Government had already got a pile of debts and do you want the Government to go deeper and deeper into debts? He opposed the idea of borrowing for day-to-day expenses of the Government. The financial position of the presidency was an unenviable one and the next Finance Member would find it almost difficult to make both ends meet. He therefore appealed to members to realise the seriousness of the position and support the budget proposals and not vote against them.

THE FINANCE BILL

22nd. FEBRUARY:—When the Council reassembled this afternoon, *Sir Govind Pradhan*, Finance Member, moved the first reading of the *Finance Bill*. In recommending the Bill to the acceptance of the House, he said that the financial position of the presidency was so bad that, despite retrenchments, the Government found themselves faced with a huge deficit which they could not meet without resort to additional taxation. He added that the Government had therefore made certain proposals for additional taxation which were contained in budget proposals, namely, a surcharge on electricity by which he expected to realise 12 lakhs, the enhancement of the court fees and the amendment of the Stamp Act by which forward transactions in the share and commodity markets could be charged. So far as the first measure was concerned, the Finance Member assured the House that he would watch its effects and let the House have an opportunity of examining its incidence

after one year. So far as non-official members were concerned, the majority of them appear to be totally opposed to new taxation and this view was given expression to by a number of non-official members, including Moslems.

Mr. Winterbotham (European Commerce) was the only member who supported the additional taxation, not because he favoured it, but because he wanted to help the Government to get over the present difficulties.

LATHI CHARGE AT AHMEDNAGAR

Earlier in the day, *Rao Bahadur Chitale* (Ahmednagar) had moved an adjournment motion to discuss "a matter of urgent public importance" namely, the lathi charges made by the police on the 4th February at Ahmednagar "on an unarmed and unprovocative crowd."

The adjournment motion, when moved, was lost without a division.

Moving the adjournment of the House, *Rao Bahadur Chitale* said that the police authorities of Ahmednagar had, contrary to previous practice and understanding with the public, dispersed an unarmed crowd without warning which resulted in injuries to a number of men, women and children.

Mr. J. A. Thomas (Home Member) opposing the adjournment motion said that the police authorities had to disperse the meeting and procession as it was held for furthering unlawful activities, and in dispersing the gathering sufficient warning was given. He also contradicted *Rao Bahadur Chitale's* statement that women and children were injured.

THE FINANCE BILL

23rd. FEBRUARY:—The Council discussed to-day the Finance Bill (Bill No. 1 of 1932) which provided (1) for the levy of a duty on consumption of electrical energy in the presidency of Bombay and (2) to amend the Court Fees Act of 1870 and (3) the Indian Stamp Act of 1897 in their application to the Bombay presidency. On the next day, the 24th. FEBRUARY *Hon. Sir Gulamhussein Hidayatulla* (General Member) in course of his speech in support of the bill said the agriculturists would not be at all affected by the Electricity Bill. The poor agriculturist lived in a dingy cottage and burnt oil lamp and he would not mind this tax. Besides electricity was not in much use in villages. It was the rich people and the clubs that made extravagant use of electrical energy. The poor people who lived in a single tenement and use only one light would hardly have to pay two annas a month extra, which was insignificant. Referring to the court fees, he said, a small extra fee was comparatively insignificant compared to the exaction of the lawyers. Then the Stamp Fees would be levied on cash forward and "badli" transactions which would affect only the rich men who speculated in thousands of rupees a day.

Mr. John Humphrey (Karachi Chamber of Commerce) doubted the wisdom of the Government in bringing a fresh taxation bill, but in view of the exceptional circumstances, he supported the bill.

Rao Bahadur Bhimbai R. Naik (Surat) opposed the bill and said that there was no room for further taxation as the Presidency was already overburdened with taxations. He urged the Government to stay their hands on fresh taxations, till the expert committee which they proposed to appoint, have submitted their report.

The *hon. Mr. W. F. Hudson* (Revenue Member) assured the House that the proposal of a new taxation bill would not retard the progress of electricity in the Presidency as every year new electric companies were cropping up in different parts of the presidency. In the last twelve months electricity was provided at seven places and in the next few weeks three other towns in the Presidency would be installed with electricity. He did not think, therefore, that the Electricity Bill would hit hard any body or retard the progress of industries.

Dr. M. D. Gilder (Bombay North) considered the proposed appointment of the expert committee to overhaul the Presidency's finance a camouflage and said the export of gold of Rs. 50 crores in the last three or four months referred to by the Revenue Member, was not in gold bullion but in ornaments which was the savings of several generations of the poor people of India.

The *hon. Sir Rustom Vakil* (Minister for Local Self-Government) assured the House that the Retrenchment Committee carried on their work with the fullest co-operation of all officers and heads of Government.

Mr. N. E. Navle (Ahmednagar) opposed the bill and strongly protested against the way the three bills were jumbled up in one. He admitted that the Electricity Bill would not hit the agriculturists, but it would seriously affect the poor and middle classes of the towns and cities. The other two bills, he submitted, would affect the agriculturist, and he thought that was not the time to bring those bills. He, therefore, urged Government to withdraw the money bills.

AN AMENDMENT

The *Finance Secretary* then moved an amendment to limit the operation of the bill for one year. *Rao Bahadur S. N. Angadi* (Belgaum) supported the bill as it did away with the inequality of the system of taxation. By this bill, he said, poor and rich would be taxed alike.

Mr. H. M. Rahimtoolla (Bombay Mohamedan Urban) repudiated the statement of the Finance Secretary that out of Rs. 76-5 raised on taxation per head Rs. 15 went to the Government of India, Rs. 31 to the Municipality and only five annas to the Government of Bombay. *Mr. Rahimtoolla* said Bombay City contributed to provincial revenue Rs. 2,92,000,00. Taking the population of Bombay as 11,50,000, the incidence of taxation per head came to Rs. 25 and not five annas as stated by the Finance Secretary.

Rao Bahadur R. R. Kale (Bombay University) opposed the bill. *Syed Miran Mahomed Shah* (Hyderabad) supported the bill. The Council then adjourned.

24th. FEBRUARY:—The Council by an overwhelming majority passed the first reading of the Finance Bill to-day. The Bill was then referred to a select committee.

Replying to his critics, *Sir G. B. Pradhan*, Finance Member, emphatically declared that the Government were not prepared to borrow any more for day-to-day administration. He also refuted the suggestions made in certain quarter that the Government had deliberately framed the Finance Bill in such a manner as to divide the House or set one section against another.

SUPPLEMENTARY DEMANDS

25th. FEBRUARY:—A number of supplementary demands for grants were made in the Council to-day.

Hon. Sir Ghulam Hussain Hidayatullah, (General Member) asked for a token grant of Rs. 10 under the head of Bombay Development Scheme, for providing a thicker apron of big boulders for the rubble mound of the new sea wall at Marine Lines, Back Bay, Bombay.

Hon. Mr. W. F. Hudson (Revenue Member) demanded Rs. 10,600 for the remuneration to the Secretary, Western India Turf Club, for collecting revenue from book-makers.

Hon. Dewan Bahadur S. T. Kampli (Minister for Agriculture) made a token demand of Rs. 10 for expenditure in connection with the Sugar Cane Research Scheme for the Bombay-Deccan.

The Hon'ble *Sir Govindrao Pradhan*, then made a demand of Rs. 30,02,000 for a Loan to Improvement Trust.

All the demands were granted.

26th. FEBRUARY:—A number of cut motions were tabled to-day by some councillors under the different heads of the government department, to either discuss the policy of the government or to protest against the same. When however the cut motion came for discussion their sponsors were either seen absent and therefore the motions against their names dropped 'ipso facto' or they withdrew, after some explanations were given by the Minister or the Member-in-charge of the portfolio.

Most of the day therefore passed off dull and dreary till the fog end of the day when some of the Sind Muslims vehemently protested against the retention of a number of officers on canals in Sind although the major part of the work was complicated. The cut motion on this particular item was not over when the Council rose.

29th. FEBRUARY:—The Council discussed to-day a number of cut motions, but the Budget demands were passed all the same, either because the movers of the cut motions were not present or even, if present, they did not press for the motions and withdrew. Only in one case the cut motion was discussed to the end, but was defeated. One motion for the reduction of grant was withdrawn after being discussed for an hour and a half.

1st. MARCH :—The Council discussed to-day the cut motion of Rao Bahadur B. R. Naik which was moved to raise a general discussion on the department of "Industries." The Hon. Sir Rafiuddin Ahmed had moved the previous day for a total demand of Rs. 3,66,500 under the head of Industries.

Sardar Davar T. K. Mody (Surat) observed that the grant allotted to the Department of Industries was so meagre, that it was not possible for that department to carry out the suggestions made by different members for the development of home industries. The Director of Industries had under him an Industrial Engineer and an Industrial Chemist, and could not, therefore, be expected to look after a large number of industries as suggested by several members.

Dr. M. K. Dixit (Surat) urged for the expansion of the department for the development of village industries.

Mr. M. M. Karbhari (Thana) stressed the necessity of providing home industries for the agriculturists, who for six months in a year sat idle at home without work.

Mr. B. S. Kamat (nominated) urged for a larger grant to the Department of Industries and pointed out how an enormous amount of 2 crores of rupees was absorbed between the P. W. D. and Irrigation Departments.

The Hon. Sir Rafiuddin Ahmed, in his reply, assured the House that he would give sympathetic consideration to the criticisms of the councillors, and the cut motion was withdrawn. The original grant was agreed to.

The Hon. Dewan Bahadur S. T. Kampli then made a demand for Rs. 23,95,000 under the head of "Agriculture" against which there were several cuts moved, but they were either withdrawn or dropped for want of movers.

2nd. MARCH :—Before almost an empty House the Council discussed the agriculture demand to-day.

Rao Bahadur L. V. Parulekar (Ratnagiri) moved a cut of Rs. 100 to raise a general discussion on the agricultural policy of Government.

Mr. Haji Mir Mahomed Baloch (Karachi City) urged the Government to protect crops in Sind from the ravages of locusts.

Rao Bahadur Bhimbhai R. Naik (Surat) pointed out that the results shown by the Department of Agriculture was not quite satisfactory.

After a few more councillors criticised the agricultural department, the Council adjourned.

3rd. MARCH :—Resuming the debate to-day the hon. Dewan Bahadur S. T. Kampli, Minister for Agriculture, assured the House that the activities of the department were carried on in the usual way and on the same scale in spite of the fact that the appointment of the Deputy Director of Agriculture was kept in abeyance. He also informed the house that the horticultural department was taking steps to improve the quality of mangoes grown in the presidency. An officer of the department had been sent to England to study the method of preserving mangoes and the question of exporting fruit to England and the continent of Europe.

Rao Bahadur Parulekar withdrew his cut motion and the total demand was granted.

The hon. Sir Rustom Vakil, Minister of Local Self-Government, then moved for a total grant of Rs. 23,70,000 under the head of "Public Health".

Rao Sahib P. D. Kulkarni, (Poona District) moved a cut of Rs. 100 to raise a general debate on the Public Health Establishments.

The motion was then put to vote and was defeated, Mr. Kulkarni only voting for the motion. The demand was then granted.

Mr. J. B. Petit (Millowners' Association) then moved a cut in the grant demanded for the European General Hospital, Bombay.

The European members both officials and non-officials sat immediately erect into their seats and the Indian members were quickened to attention by the powder and shots which were exchanged by the sponsors and the opposers of the motion. Sir Rustom Vakil who at an unguarded moment gave his assent to the discussion of the cut motion did not expect the tirade on his department as otherwise this cut motion would not have been discussed at all, it being not given to the president in time to be placed on the agenda. One of the European speakers defending the expenditure on the E. G. Hospital said most of the beds were used by Goans.

4th. MARCH :—The European and Anglo-Indian education in the presidency came for discussion in the Council but except two or three members none came forward

to ventilate their views, and the discussion on the whole, proved a tame affair. Mr. J. G. More, who moved the cut motion, however severely criticised the policy of the Government in pampering Europeans and Anglo-Indians, while ruthlessly reducing the grants for Indian education.

7th. MARCH :—That the College students of Sind were being drawn "in the whirlpool of politics" and were carrying on anti-Government activities, and that the Government should start its own college, was the suggestion made by a member during the discussion on the education budget to-day.

Sir Rafiuddin Ahmed, the Minister of Education, moved the total grant of Rs. 1,68,05,000 under the head of "Education Transferred."

Rao Saheb P. D. Kulkarni, moved a cut of Rs. 100 in the provision of Rs. 4,49,000 under the head "Government and other Arts Colleges." After discussion the cut motion was withdrawn.

8th. MARCH :—"Has the Government abandoned its declared policy in favour of the expansion of primary education in the Presidency?" asked member after member during the discussion on the education budget to-day.

A cut of Rs. 100 in the total demand under the head "Primary Education" was moved by Mr. V. A. Surve (Ratnagiri District) as a protest against the retrenchment effected by Government in grants for primary education.

The cut motion was carried to a division and declared lost 26 voting for the cut and 40 against.

During the debate Mr. R. L. Beckett, Director of Public Instruction, stated that the liability of the Government to contribute towards the cause of primary education was purely moral and not legal.

Rao Bahadur Bhinrao Naik (Surat District) protested against the retrenchment carried out by Government in primary education. He complained that expenditure on education in his district had been reduced by Rs. 8,000. That was a big cut. How did the Government expect the Local Boards to carry on the work, asked the speaker.

9th. MARCH :—The mofussil members of the Council took strong exception to-day to the conduct of the special emergency police employed by the Government to the Civil Disobedience movement, when the police Budget came up for discussion to-day.

Rao Saheb P. C. Kulkarni moved a cut of Rs. 100 in the provision for Rs. 5,63,000 under Special Emergency expenditure.

Mr. L. R. Gokhale (Poona), in supporting the cut, strongly protested against the alleged rough handling of a crowd that had gathered at Poona on the "Motilal Day." He said that the crowd which was peaceful was charged by the police with lathis, and the police also entered the Market premises "and belaboured persons who had nothing to do with the meeting". He asked whether it was fair for the police to enter the market and assault innocent persons. The speaker liked to know more about the employment of emergency police. If at all lathi charges were necessary, the speaker thought the police should be instructed to use minimum force.

Rao Bahadur Chitale (Ahmednagar) said that, as lathi charges were likely to be frequent, the Government ought to have laid down definite rules. The speaker advised the Government to instruct the police not to deliver blows on the head.

Mr. G. A. Thomas (Home Member) said that the Government were justified in employing emergency police for combating Civil Disobedience, but so far as the Poona incident was concerned, the Home Member assured the House that no emergency police were used on the occasion. He added that the police were generally instructed to use lathis with great discrimination. The Home Member concluded : "The best way of avoiding lathi charges is to avoid unlawful meetings".

The "cut" motion was lost without a division.

10th. MARCH :—When the Council took up the discussion of the General Administration grant to-day, Mr. *Humphrey* (Karachi Chamber of Commerce) moved a cut of Rs. 1000 in the total demand for Rs. 2,08,23,000. He made out a very strong case for further retrenchment, especially for the reduction of the size of the present Cabinet and for putting an end to the movement of Government headquarters from place to place. He maintained that both the questions were important, and they should be tackled immediately. Reduction of the size of the Cabinet alone would help the Government to save two lakhs. Regarding the headquarters of the Government, the speaker opined that one of them should be given up.

Mr. J. B. Petit (Bombay Mill-owners'), supporting the "cut", said that Bombay should be made the permanent capital of the Government.

Sir Reginald Spence (European Commerce) asked the House to decide whether Bombay or Ahmedabad should be the headquarters of the Government, as the latter place was gaining prominence due to her mill industry.

Sir Ghulamhussein Hidayatullah, General Member, in the course of his reply said that so far as reduction of the size of the Cabinet was concerned, it had been entirely left to His Excellency the Governor and every member of the Cabinet was ready to quit if required.

Regarding the suggestion to do away with one of the capitals, the General Member maintained that two capitals were necessary as the Bombay Presidency consisted of both an industrial and an agricultural population. Bombay city represented the industrial side of the Presidency's life, while the agricultural side was represented by Poona. He, therefore, thought that if the Government stuck to Bombay only, they would be out of touch with agricultural interests. Thereafter, the "cut" motion was withdrawn and the whole demand was voted for.

11th. MARCH:—The Council concluded the discussion on the Budget to-day.

A debate on the question of land revenue policy was raised by *Mr. V. A. Surve* (Ratnagiri District) who moved a cut of Rs. 100 in the demand for Rs. 66,68,000 made by the Revenue Member under the head "Land Revenue".

Mr. Syad Miran Mahomed Shah (Hyderabad District) asked the Government to take early steps to revise the present system of revenue assessment. The people of Sind had been reduced to utter poverty as crops were destroyed by floods and locusts, and to add to their miseries there were periodical visitations of cholera and malaria. More than 75 per cent of Zamindars had to sell off their lands and were unable to pay the high rate of revenue obtaining at present. He called upon Government to make substantial remissions.

Mr. F. W. Hudson, Revenue Member, in replying to the debate, said that for the first time in the history of the Council, they were able to go through the whole budget without the President having to apply the axe on further discussion. It clearly indicated a marked improvement in the methods of the House, and showed that the members were satisfied that Government applied themselves earnestly to the budget. Government had reason to congratulate itself for these satisfactory results.

TO CONVENE A CONFERENCE OF LEADERS

12th. MARCH:—The Council discussed to-day for over 3½ hours, *Rao Bahadur Kale's* motion requesting the Governor to convene a conference of leaders of various parties in the Presidency, to facilitate the work of the Round Table Sub-Committees and to ensure a safe ground for future Reforms.

Speaking on the motion *Mr. Kale* observed that the Ordinances were not worked in accordance with the assurances given from time to time by the Government and the Secretary of State. There was no abnormal situation necessitating the Ordinances. The situation could be very well met by the ordinary laws. The insecurity created by the last emergency measures was destroying the scope for the better working of the R. T. C. Sub-Committees.

The *Home Member*, *Mr. Thomas*, observed that the Ordinances were administered with great care and caution. Arrests and detentions were not made on mere suspicion. In every case they had tangible proof of assistance to unlawful operations of the Congress. Arrests were ordered by responsible authorities. Government would withdraw the Ordinances, the moment the abnormal situation in the country settled down. Rule by ordinances was no pleasure. It was for the House to bring about peace in the country.

The motion had the Government's sympathy. It was absolutely necessary to submit to His Excellency a definite and concrete scheme of action by the leaders of the various parties in the house. It was not the Government's intention to vote on the motion.

Mr. Shahnawaz Bhutto (Sind Muslims' leader), considered that the motion was superficial. The situation was created by the Congress and not by the Government. He then referred to *Mr. Gandhi's* activities in London and the Minority Pact when the Chair pulled him up saying that the references were not in order.

Referring to the question of calling a conference of party leaders, the *Home Member* said: If the Governor is to be asked to give an interview to party leaders, a definite and concrete scheme of action should be submitted. So far as the Ordinances were concerned, they had been promulgated to meet the abnormal

situation deliberately brought about by ill-wishers of the Government and so long as that abnormal situation lasted, Ordinances will have to remain in force and not a day longer. He suggested that members of the Council should co-operate with the Government to remove the abnormal situation and create a peaceful atmosphere and for this they should form their own organisation.

Mr. *Winterbotham* (European Commerce) in opposing the motion said that he and his community felt that the present Government had outlived their purpose and days of authority were over and now time had come for a change so as to enable the people of India to be responsible for their Government. He added that that did not mean that they should not support the old Government and therefore he and his party would support Government in their measures.

Khan Bahadur Bhutto (Sind) opposed the motion on the ground that it was superfluous as he thought that the proposed conference would not be able to bring round the Congress party.

Mr. *Kamat* (Dharwar) in supporting the motion said that he wished the Government had come forward with such a motion instead of a non-official member.

Mr. *J. B. Petit* (Mill-owners', Bombay) in the course of a vigorous speech attacked the promulgation as well as working of the Ordinances which he said had resulted in gagging the press and prohibition of public protest meetings and forcible making of merchants to open their shops against their will. Mr. Petit maintained that emergency for the Ordinances had never arisen and their promulgation was the result of panic while continuation of such Ordinances, when in Government's own admission that Congress had been crushed, was a sign of weakness. He did not see any reason why ordinary law could not meet the situation. The speaker wondered why these Ordinances were applied to Bombay and why they were still in force when the Government themselves admitted that the Congress had been crushed. The crusade against the Congress, he said, was an unfortunate step but he added: "I am sure it won't be possible for the Government to crush the Congress—a country-wide organisation. They can only drive the movement underground which will work havoc like rats. Referring to the working of the Ordinances Mr. Petit said: "Various ways in which tyrannies of these Ordinances had been working resulted in gagging the Press, prohibition of public protest meetings and forcible opening of shops. I would like to know if forcible opening of shops is an item on the programme of the Government in crushing the Congress." Referring to the Home Member's suggestion for concrete proposals, Mr. Petit asked the Government immediately to withdraw the Ordinances. Concluding, Mr. Petit said that there were moments in the lives of men and Government when the utmost amount of circumspection and wisdom were necessary. For the Government and the country the present was one such occasion. He, therefore, appealed to the Government as well as to the Governor to withdraw the Ordinances at least from the Province of Bombay and restore rules by ordinary laws.

Dr. *Solanki* opposed the motion while Mr. *Achrekar* supported it. Further debate on the motion was adjourned till the 14th. MARCH when by a narrow majority of two votes the house rejected the resolution. Although the official members did not vote the Sind bloc, the Non-Brahmins, the "Depressed" Classe and the Europeans made common cause and voted against the proposition.

TRANSFER OF ADEN

15th. MARCH:—The Council passed a resolution to-day recommending to the Governor-in-Council that the civil administration of Aden should not be transferred to the Government of India.

Sir *Golamhussein Hidaytullah*, the Leader of the House, declared that the transfer of Aden to the Government had been practically decided upon and that the Central Government had even made a provision in its budget for Aden. The change was likely to come into effect by the beginning of the next financial year.

Mr. *J. B. Petit* strongly protested against the action of the Government of India for taking such an important decision in "Purdah" without consulting the Bombay Government or the Council. He feared that the move might be merely a stepping stone for the ultimate transfer of Aden, which had political advantages, to the Colonial Government.

The Leader of the House agreed to convey the views of the Council to the Government of India. As regards the fear entertained by Mr. Petit, he said that the Viceroy had given an assurance to a deputation of Indian Merchants that if at all

they thought of transferring Aden to the Colonial Government they would ascertain the views of all concerned.

HOSPITAL SWEEPSTAKE

Another resolution adopted by the House recommended to the Government to take steps to institute a Government Hospital lottery for the purpose of supplementing the funds required for re-opening the beds in the hospitals which were closed for financial reasons.

Sir Rustom Vakil, Minister for Local Self-Government, announced that the Bombay Government wrote to the Government of India in June 1931 seeking sanction for starting a State lottery but the latter turned the proposal down. But he would try again by conveying the sense of the House to the Central Government.

FINANCE BILL

16th. MARCH :—The Council to-day discussed the Finance Bill as amended by the Select Committee.

Sir Govind Pradhan, Finance Member, moved the second reading of the Bill and in doing so, briefly explained the main charges that had been made in the Bill, by the Select Committee.

The Bill had been now rendered so innocuous, said the Finance Member, that he hoped the House would have no difficulty in accepting the measure.

Rao Bahadur G. V. Pradhan (Nasik District) moved an amendment that the rate of six pies proposed for each unit of electrical energy be reduced to four pies.

Mr. G. Wiles, Finance Secretary, said that the amendment moved by Mr. Pradhan, if accepted by the House, would reduce the expected revenue of Rs. 12 lakhs to 8 lakhs which the Government were not prepared to accept.

Considerable objection was raised by some members to fixing the minimum at ten units. The Finance Member opposed the amendment, and when it was pressed to a division, was declared lost by 53 against 29 votes.

17th. MARCH :—During the discussion on the Stamps Duty in the Council to-day, *Rao Bahadur D. R. Patil* urged to reduce the Stamps Duty on the Divorce Deeds on the plea that poor peasants who divorced their wives very often would be affected.

The *hon. Sir G. B. Pradhan* said that the men who wanted to divorce their wives to marry other women should pay for the luxury the extra duty on the Divorce Deeds.

The Stamps Act Bill passed through the second reading with a very slight alteration, as emerged from the Select Committee.

The Indian Succession Act Bill which had been thrown out before was again introduced.

18th. MARCH :—The Council this afternoon threw out the motion for the first reading of the Indian Succession Duty Bill moved by *Sir Pradhan*, Finance Member, by fifty-one to thirty-one votes.

The House thereafter carried by 55 to 52 votes the Finance Member's motion for the third reading of the Finance Bill whose consideration was postponed yesterday.

His Excellency the Governor *prorogued the Council* after the Council had passed the third reading of the Finance Bill without material alteration and also passed all the three readings of the Bill to levy tax on tobacco coming into the City of Bombay.

An amendment that the Bill should be in force only for ten years was accepted. This Bill is intended to help the Municipal Corporation to levy tax on tobacco so as to help it to meet the huge deficit which it has to face because of its taxing over charge of the Improvement Trust.

THE C. P. LEGISLATIVE COUNCIL

LIST OF MEMBERS.

President :—The Hon. Mr. S. W. A. Rizvi

THE HON'BLE SIR ARTHUR EDWARD NELSON
THE HON'BLE MR. E. RAGHAVENDRA RAO
MR. HYDE CLARENDON GOWAN
MR. C. D. DESHMUKH
MR. NOEL JAMES ROUGHTON
MR. CHARLES FRANCIS WATERFALL
MR. RONALD EVELYN POLLOCK
MR. RABINDRA NATH BANERJEE
MR. CHARLES EVANS WILLIAM JONES
LT. COL. W. J. POWELL
MR. LALMAN SINGH
THE REVD. G. C. ROGERS
MR. G. A. GAVAI
MR. T. C. SAKHARE
MR. S. G. NAIK
GURU GOSAIN AGAMDASS
MR. R. W. FULAY
MRS. RAMABAI TAMBE
MR. BALRAJ JAISWARA
MR. DADURAM
RAI SAHIB BADRI PRASAD PUJARI
MR. CHUNNU
MR. C. B. PARAKH
LALA JAINARAIN
MR. T. J. KEDAR
MR. SHEOPRASAD PANDE
PANDIT KASHI PRASAD PANDE
MR. GOKULCHAND SINGAI
MR. DULICHAND
RAI SAHIB DADU DWARKANATH SINGH
CHOUDHARI MALTHULAL
MR. WAMAN YADO DESHMUKH
MR. ANJORE RAO KIRDUTT
PANDIT RAMSANEHI GAURHA
KHAN BAHADUR F. F. TARAPORE
THE HON'BLE RAI BAHADUR GAJADHAR PRALAD JAISWAL
MR. GOPALRAO RAMBHAU JOSHI

MR. ARJUNILAL
SETH SHEOLAL
MR. CHANDAN LAL
MR. GANPAT RAO SHANKAR RAO DESHMUKH
MR. SHIVARAMPRASAD SULTANPRASAD TIWARI
RAI BAHADUR K. S. NAYUDU
MR. VINAYAK DAMODAR KOLTE
KHAN BAHADR M. M. MULLNA
MR. IFTIKHAR ALI
THE HON'BLE MR. SYED WAKIL AHMED RIZVI
MR. SYED HAFAZAT ALI
MR. MAHOMED YUSUF SHAREEF
BEOHAR GULAB SINGH
THAKUR MANMOHAN SINGH
MR. D. T. MANGALMOORTI
MR. L. H. BARTLETT
SETH THAKURDAS GOVERDHANDAS
MR. VITHAL BANDHUJI CHAOBAL
MR. R. A. KANITKAR
THE HON'BLE DR. PANJABRAO SHAMRAO DESHMUKH
MR. MOTIRAO BAJIRAO TIDAKE
RAO SAHIB UTTAMRAO SITARAMJI PATIL
MR. SRIDHAR GOVIND SAPKAL
MR. NAIK DINKARRAO DHARRAO RAJURKAR
MR. YADAN MADHAV KALE
MR. TUKARAM SANKAR PATIL
MR. MAHADEO PAIKAJI KOLHE
MR. GANPAT SITARAM MALVI
MR. SYED MOBINUR RAHMAN
MR. MUZAFFAR HUSSAIN
KHAN BAHADUR MIRZA RAHMAN BEG
MR. BALKRISHNA GANESA KHAPARDE
RAO BAHADUR GAJANAN RAMCHANDRA KOTHARE

THE C. P. LEGISLATIVE COUNCIL

The January session of the Central Provinces Legislative Council commenced at Nagpur on the 18th. JANUARY 1932. At the outset three different members, including Mr. B. G. Khaparde, notified their intention to move an adjournment motion to discuss the present political situation and the Local Governments policy. Mr. S. A. Rixvi, President, admitted the motion.

Mr. E. Raghavendra Rao then introduced the C. P. Motor Vehicles Taxation Bill and moved reference to a select committee. The motion was adopted. The Bill which involved taxation to the extent of about six lakhs intended to replace the registration fees at present levied under sec. 11 of the Indian Motor Vehicles Act of 1914 by charges leviable under the Bill.

The Council next passed into law a *Tenancy Bill* of minor importance, also the C. P. Vaccination (*Amendment Bill*) which aimed at making vaccination compulsory in rural areas on the initiative of district councils.

The adjournment motion of Mr. Khaparde was then taken up and it was finally talked out. Sir Arthur Nelson, Finance Member, and Mr. Raghavendra Rao, Home Member welcomed the motion on the ground that it would afford an opportunity to explain the Government's policy and also give a correct review of the provincial situation.

Mr. Rao, Home Member, who opposed the motion on behalf of the Government said that in the Central Provinces the Congress took the offensive, the Nagpur Committee forming a war council on Jan. 3. The Government acted five days later applying the Boycotting and Unlawful Association Ordinances at Nagpur and afterwards to some other districts when faced with open hostility. The minimum force was used everywhere. The number of arrests was limited. If the lawlessness ceased the Government would cease to act. Incidents in Jubbulpore and Chhindwara were comparatively trivial where canes were used not 'lathis'. As regards sentences, fines obviously were more appropriate than punishment but the Government did not approve of vindictive or excessive sentences. The Government were now examining the records of the recent cases where a markedly heavy punishment was awarded with a view to revise them. Instructions were also issued which would equate punishment on reasonable lines throughout the province.

Speaking on the motion several members referred to the fine of Rs. 10,000 imposed on Mr. Abhayanker and Seth Poonamchand but as the Home Member's speeches clearly indicated that the Government would reduce the sentences the Opposition members were not keen on pressing the motion to a division. It was accordingly talked out.

19th. JANUARY:—The Council passed to-day two bills amending the existing *Municipalities Act*. One bill was of minor interest, but the other proved contentious. The latter makes provision *inter alia* for appeal by municipal employees to the local Government in case of dismissal, limits the period of the recovery of municipal taxes to six years and also empowers municipalities to make bye-laws for the registration of midwives.

20th. JANUARY:—To-day being the first non-official day there was a big bunch of 21 private bills, of which only one was passed into law. Another was referred to a select committee. The rest were either circulated to elicit opinion or dropped altogether.

The *Village Panchayats Bill*, which became law, extended the jurisdiction of the panchayats.

The *Cotton Market Bill*, which was referred to a select committee, aimed at regulating the sale of cotton.

The Council also adopted, by a majority, two non-official resolutions, one recommending to the Government to fix the education grant to the District Councils and three-fourths of the total expenditure incurred by them.

The Education Minister pleaded financial stringency.

NO-CONFIDENCE ON INDUSTRIES MINISTER

21st. JANUARY :—In the Council to-day Mr. T. J. Kedar, leader of the people's party, sought leave to move a motion of no-confidence in the Minister of Industries, Rai Bahadur G. P. Jaiswal. More than 22 members signifying assent for the motion being made, the President fixed the next day for a discussion. Another member of the people's party gave notice and obtained leave to make a similar motion against Dr. P. B. Deshmukh, Education Minister.

Regarding the Ministerial crisis, it may be mentioned that the C. P. Council comprised three groups, namely, the People's Party, the Nationalists and the Democrats. The two Ministers in office adhered to the last mentioned section.

The Council then adopted *three resolutions*. One recommended hand-weaving to be made compulsory in all primary and middle schools.

Dr. Deshmukh, Education Minister, opposing the resolution, expressed his readiness to include them as optional subjects.

The *second resolution* recommended the appointment of a committee to enquire into and report on the cases of teachers of the Raipur district who were dismissed for their political views.

The *third resolution* recommended the reduction of rents and land revenue by a half throughout the province.

Mr. K. P. Pandey, the mover, admitted that the proposition was of a drastic nature but maintained that it was justified by the seriousness of the agricultural situation caused by the slump in prices and the failure of crops in several places.

The resolution was supported by many non-official members, including land-holders.

Mr. C. F. Waterfall, settlement commissioner, opposing the resolution, maintained that the proposition was impractical and pointed out that the current land revenue demand was considerably less than the demand of the preceeding years. He added that the present prospects of crops were favourable.

Sir Arthur Nelson, Finance Member, assured the Council that the Government had the cultivators' interests at heart and had already taken steps, where necessary, to alleviate distress. They were closely watching further developments and would find means to meet them. *Taqavi* loans were being freely given, debt conciliation proceedings had been started and execution of decrees involving sale of land was virtually stopped.

The resolution was adopted without a division.

NO-CONFIDENCE ON INDUSTRIES MINISTER

22nd. JANUARY :—After a prolonged debate the motion of "No-Confidence" against Rai Bahadur G. P. Jaiswal, Minister, was thrown out by the Council to-day by 40 votes to 24, the total strength of the Council being 72.

Mr. T. J. Kedar, leader of the People's Party, making the motion, argued that Mr. Jaiswal lacked personality and was unable to make himself felt in shaping the Government's policy and as such was no Minister in the real sense of the term. Further, his record as a Minister was nil. Proceeding, Mr. Kedar referred to the election petition against Mr. Jaiswal wherein certain allegations were made against the latter. Finally, Mr. Kedar took exception to the acceptance by the Minister of the title of Rai Bahadur while in office.

Rao Bahadur Naidu, opposing the motion, enquired what the substantial charges against Mr. Jaiswal were. Regarding the allegations in the election petition, the tribunal appointed by the Government had decided the case in the Minister's favour. Since the Minister was not a non-co-operator, there was nothing surprising in the Government conferring on him a title.

Khan Bahadur Tarapore, further opposing the motion, said that the selection of the present Ministers was constitutionally sound since they belonged to the dominant party in the Council.

Dr. Shareef, supporting the censure motion, said that the Ministers had initiated no new policy and as such were a mere burden to the tax-payer.

Mr. R. W. Fuley regretted that the censure motions came in, in such quick succession in C. P., mainly on grounds of personal likes and dislikes. This job hunting cost more to the tax-payer in waste of time than the Ministers themselves. He asked what earthly good there was in framing new policies when there was no money to act upon them.

Mr. G. C. Singhai supported the censure on the ground that the Minister had failed to carry out the policy of ultimate Prohibition chalked out by the council.

Mr. Mangalmoorti wanted to know what the C. P. Ministers had done for the uplift of the masses and what impetus they had given to the provincial industries.

Seth Sheolal wanted the Ministers to resign as a protest against the Government's repressive policy.

Sir Arthur Nelson refuted the charges that the Minister had failed to carry out the Excise policy of ultimate Prohibition. He quoted figures to show that liquor consumption in C. P. during the last four years had dropped by nearly 75 per cent.

Mr. K. P. Pandey, supporting the censure motion, took strong exception to the Minister's policy regarding nomination to local bodies. He also criticised the Minister for not reconstituting the Raipur and Betul District Councils, which had been superseded on political grounds. Further, he held that by accepting the title of "Rai Bahadur" *Mr. Jaiswal* had humiliated not only himself, but all Ministers throughout India.

Mr. B. G. Khaparde, Leader of the Nationalists, supporting the motion, said that the Ministry was not a popular Ministry, and would have been voted out long ago, but for the official support. The democratic party's plea was therefore all nonsense.

Mr. G. P. Jaiswal, Minister, replying, said that the allegations in the election petition were not levelled against him personally regarding the delay in nominations to local bodies. He would say that a hasty choice was not always happy. Further, there was interference by the members of the Council themselves. The District Councils of Raipur and Betul could not be reconstituted until their finances were set right. In the Excise Department, he strictly adhered to the policy of ultimate Prohibition. There was no use of enunciating new policies when funds were insufficient to carry out even the old ones. Regarding the title he did not seek it. It had been conferred on him.

It was close upon 7 when the question was put, 24 members voted for the censure motion and 40 against.

A similar motion against *Dr. Deshmukh*, Education Minister, tabled for to-day, was not taken up because of the lateness of the hour. It was taken up on the next day.

23rd. JANUARY:—The Council voted four supplementary demands to-day, completed the second reading and finally passed into law the *Central Provinces Motor Vehicles Taxation Bill*. This money Bill as originally presented provided for additional revenue of over Rs. 5,00,000. In the Committee stage the rate of tax was considerably altered and as reported by the Select Committee it provided additional revenue of about Rs. 3,00,000.

Attempts by *Sir Arthur Nelson* on behalf of the Government to enhance rates and by *Mr. B. G. Parekh* to reduce them were rejected by the Council and the schedule rates recommended by the Select Committee were left unaltered. The most important amendment adopted was that in effect the act and schedule would remain in force for three years only.

NO-CONFIDENCE ON EDUCATION MINISTER

The motion of no-confidence against *Dr. P. S. Deshmukh*, Education Minister, was taken up late in the evening, the debate lasting till 8 in the night. The motion was rejected without division.

Mr. D. T. Mangalmoorti moving the censure motion said that the Minister had done nothing for furtherance of primary education.

Mr. B. G. Khaparde supporting said that the Minister was unable to assert himself in the Cabinet and get more money for the spread of education.

Mr. C. B. Parekh opposing said that under the present constitution no Minister could achieve much when the purse strings were controlled by others.

Mr. M. Y. Shariff criticised the Minister for not giving effect to the Council's recommendations.

Rao Bahadur Nayudu analysed yesterday's voting to show that the Ministers enjoyed the confidence of the elected majority.

Dr. Deshmukh, replying, traced the education reforms effected by him and referred to the establishment of a hostel for the depressed classes. Further, despite financial

stringency the Government had sanctioned a large sum for primary education and had ordered reduction of college fees for the sons of agriculturists and also general reduction in schools fees. The censure motion was rejected, the Opposition not claiming a division. The Council then *adjourned sine die*.

BUDGET FOR 1932-33

The Budget Session of the Council commenced on the 27th. FEBRUARY 1932. After the swearing in of official members, Sir Arthur Nelson presented the Budget and then five supplementary demands for grants were put before the House. The demands were all voted without discussion and the Council adjourned.

Presenting a small revenue surplus budget for 1932-33 Sir Arthur Nelson, the Finance Member, stated that the year 1930-31 actually closed with an overdraft of over Rs 27 lakhs and this together with the current year's estimated deficit of Rs. 42½ lakhs, would bring up the total of provincial overdraft to Rs 71 lakhs. The expenditure had been curtailed to the minimum, making it possible to take a less gloomy view of the financial position in the budget year.

The budget for 1932-33 provides for a revenue of Rs. 49,288 lakhs and expenditure charged to revenue of Rs. 488,88 lakhs, or a surplus of Rs. 4 lakhs. The revenue estimate has been framed with caution. Under land revenue, only a portion of the arrears has been put down for collection during the budget year, leaving a margin of Rs. 35 lakhs for collection in future years. Under the debt head disbursements, provision has been made in the budget for taccavi advances on a liberal scale, while the capital programme has been confined to the continuance of works already started.

The estimated result of the budget year's working is a revenue surplus of Rs. 4 lakhs, ordinary closing balance of Rs. 3 lakhs and famine relief fund balance of Rs. 46½ lakhs. The current year's working has been far from satisfactory. The budget for 1931-32 estimated the revenue at 512 lakhs. The revised estimate is down by nearly Rs. 90 lakhs, the fall being mainly due to the failure of the cotton crop in Berar which necessitated land revenue suspensions to the extent of Rs. 41.28 lakhs and a drop in the revenue from excise of Rs. 27¼ lakhs, forests, Rs. 7¼ lakhs and stamp Rs. 51½ lakhs. To make up this loss in income the expenditure has been cut down from Rs. 486.80 lakhs to Rs. 464.74 lakhs, or nearly by 22 lakhs, of which Rs. 3.65 lakhs were due to the cut in pay and the rest due to schemes of retrenchment such as reductions in the allowances, abolition of the Nerbudda division, abolition of the three districts of Damoh, Seoni and Narsinghpur and the abolition of three civil districts of Buldana, Saugar and Bhandara. The revised estimates put the current year's deficit at Rs. 42½ lakhs.

GENERAL DISCUSSION OF BUDGET

29th. FEBRUARY:—The general discussion of the Budget was held to-day. During the debate non-official members considered the revenue estimates too optimistic expressing a doubt if the land revenue estimate of 272 lakhs, was warranted by the present agricultural conditions. They held that the Government had not gone far enough in the direction of retrenchment, several members suggesting the gradual substitution of an administrative agency, considerably cheaper than the existing one, which consumed nearly half the provincial revenue by way of salaries alone.

Sir Arthur Nelson, Finance Member, and Mr. N. J. Roughton, Finance Secretary, both maintained that the revenue estimates were modest, provided the conditions proved normal during the Budget year. The Government were far from remiss in the matter of retrenchment. The administrative expenses had been and were being cut down drastically. That policy alone made a balanced budget possible.

THE WARDHA LATHI CHARGE

1st. MARCH:—In the Council to-day, Mr. T. J. Kedar asked for leave to move an adjournment motion to discuss a definite matter of urgent public importance, namely, the serious political situation created by the policy underlying the Government's press communiqué relating to the incidents in the Wardha District.

Mr. S. W. Rixvi, President, ruled the motion in order, and the requisite number of members signifying assent he fixed 4 p. m. for discussion.

It may be mentioned here, that a similar motion was ruled out of order yesterday. The Communiqué gave the reasons for the posting of punitive police at

Hinganghat stating *inter alia* that a police party was pelted with stones there on the 19th January, and again at Wardha on the 16th February. The allegation was that the facts stated in the communique were incorrect.

The communique regretted that the Congress movement was degenerating into violence and the instances of Hinganghat and Wardha, where the police were alleged to have been stoned. Mr. Kedar specially referred the incidents at Wardha and challenged the accuracy of the Government version and said that the Congress processionists, far from being violent, were needlessly set upon by the police who beat them mercilessly with lathis, for quarter of an hour, injuring 125 persons. The communique, he said, made no mention of the repeated lathi charges, and only said that the police were stoned and seven constables were injured. From local inquiries he had ascertained that there was pelting of stones only after the police had pinned the crowd in an area, closed all the exits, and made three lathi charges. The Magistrate, Mr. Kedar maintained, should have given the crowd a time to move off after ordering dispersal, and before beginning a lathi charge. He observed that there was no tendency on the part of the Congressmen to resort to violence. The Government in the communique had suppressed facts, and was thus guilty of bringing itself into contempt.

Rao Bahadur K. S. Nayudu, Leader of the Democratic Party, supporting the motion, said that it was a perversion of truth to say that the Congressmen were resorting to violence. His own political views were widely divergent from those of Congressmen. Nevertheless, he would say that the Congress Movement, at least in Wardha town, was perfectly peaceful. The Government need not have suppressed facts. On the 16th February, there was lathi charge. A number of men who did not belong to the Congress, but were attracted by the elaborate police arrangements, were injured. The lathi charge was ordered long before the crowd showed any signs of getting violent.

Mr. Raghavendra Rao, Home Member, opposing the motion, said that the communique only regretted the outbreak of violence, and appealed to the public to assist the Government to maintain peace. There was nothing wrong about it. He quoted instances where in Hinganghat and Wardha, public servants had been abused and beaten by Congressmen, necessitating the posting of punitive police at Hinganghat. Regarding the incidents at Wardha on the 16th February, he would not deny that the police used force in dispersing an unruly crowd. But he would repudiate any allegation that the police were only aggressive or that more than the minimum force was used. His information was that only ten persons were injured by lathis and that 50 persons were slightly hurt in the process of being pushed back. Public peace was openly threatened, and the local authorities had to take this action. The evening before the owner of a liquorshop which was picketed and which was the venue of the lathi charge, was criminally threatened by Congress volunteers.

The debate closed after these three speeches, and the House divided, 29 voted for the motion, and 23 against.

VOTING ON BUDGET DEMANDS

2nd. MARCH:—The Council discussed and voted to-day demands under "Industries and Scientific Departments" (Rs. 1,96,082), Miscellaneous Departments (Rs. 1,31,860) and "Civil Works—Reserved" (Rs. 52,400).

The demand for Rs. 55,05,306 under "Civil Works Transferred", was under discussion, when the Council rose for the day.

A token motion taking exception to the grant of hill allowance to clerks was defeated by 35 against 22 votes.

A token "cut" urging the amalgamation of the posts of Electrical Adviser to the Government, Chief Inspector of Factories and Chief Inspector of Boilers was carried by 36 votes to 17.

3rd. MARCH:—The Council discussed and voted to-day demands under 18 different heads, including Civil Works, Stationery and Printing, Irrigation Outlay and Famine Relief.

The demand under the head "Land Revenue" was under discussion when the Council adjourned for the day.

A token "cut" insisting on Government buying itself or asking the Central Stores Department to supply the Government with stationery of Indian manufacture was carried. Mr. N. J. Roughton, Finance Secretary, stated that as far as possible only Indian manufactures were supplied by the Central Stores.

Another token "cut" adopted, urged the Government not to reduce grants to local bodies.

The Council carried a token "cut" indicating that the provision of 23 lakhs for Taccavi loans was inadequate.

In the Land Revenue demand, exception was taken to the special pay paid to officers entrusted with settlement work.

Mr. C. F. Waterfall, Settlement Commissioner, and *Sir Arthur Nelson*, both maintained that special pay was necessary, because of the arduous nature of the work done by the Settlement officers, and that without special pay, the right type of officers would not be forthcoming to do the extra heavy work. The cut was adopted by 32 votes against 17 votes.

4th. MARCH:—Little interest was evinced in the budget discussions in the Council to-day. Most of the motions for "cuts" lapsed owing to the absence of members from their seats. The Council devoted the whole day to the consideration of the demand under the head Land Revenue (reserved) and effected a cut of Rs. 1,000 on the motion of *Rao Bahadur K. S. Nayudu*, who pointed out that there was no need for settlement of the Nazul areas in Berar during the present period of financial stringency.

Mr. Khaparde's motion for reducing travelling allowances by Rs. 500 for reasons of economy was also carried, the Government not claiming a division. Consideration of the demand was not finished when the House adjourned.

7th. MARCH:—There was lively debate in the Council to-day when *Mr. G. C. Singhai* moved his token cut to ventilate the grievances of the agriculturists and malguzars with special reference to land revenue and rent-collections.

Mr. Singhai opined that the land revenue policy should be fully scrutinised. He complained that crops were over-estimated and the revenue demand fixed at a rate, with the inevitable result that people were being oppressed by revenue officials. He was afraid that if proper brakes were not applied in time, the Ordinances might give a handle to the local officers to oppress people at the time of the realisation of the coming kist. He was conscious of the financial stringency, but at the same time he asserted that the distress of the agricultural classes was acute. He concluded that, by mutual accommodation, revenue could be collected without destroying the tenantry and ruining malguzars.

Mr. Mangalmoorti thought that the unsympathetic and grinding nature of the costly administration was responsible for the acute state of the agriculturists to-day.

Khan Bahadur Tarapore observed that the agriculturist was the backbone of the Government, and the prosperity of the cultivator meant the prosperity of the Government. He suggested a larger surrender in the salaries of high officials.

The *hon'ble Sir Arthur Nelson*, Finance Member, replying, said that in no other province in India had such liberality been shown as in the last three years. More latitude in the adoption of measures for collection, he remarked, would result in suspending practically the whole revenue. He repudiated the charge of lack of sympathy and pointed out that remissions, amounting to Rs. 8 lakhs, had been given in the last three years. The motion being put to vote, was declared carried.

The time allotted for discussion of the demand having expired, the whole demand under Land Revenue for Rs. 19,22,400, reduced by Rs. 1,505, was voted without further discussion.

By a token "cut" of one rupee, *Mr. G. C. Singhai* wanted to express his disapproval of the excise policy followed by the Hon'ble the Minister for Excise. He asked if the Minister could show what progress he had made in the course of Prohibition and characterised the Minister's policy as anti-national.

Mr. B. G. Khaparde, Leader of the Nationalist Party, supporting the "cut" said that diarchy had been introduced with the avowed aim that the Minister would carry out the policy dictated by the people, and asked if the Minister was able to carry out the policy of Prohibition. Questions of economy or illicit distillation appeared to him to be irrelevant to the issue.

Mr. N. J. Roughton pointed out that the excise revenue had fallen from Rs. 156 lakhs to 63 lakhs in ten years, and asked the House, if the time had not arrived to indicate new sources of revenue before a further extension of the Prohibition could be permitted.

The *Hon'ble Rai Bahadur Jaiswal*, Minister for Excise, said liquor consumption had fallen by 60 per cent.

The Hon'ble *Sir Arthur Nelson* said that there was no serious drink evil in the province to accelerate the policy of total prohibition. To the aboriginal forest tribes, who constituted one-sixth of the population, consumption of liquor was not only a social habit, but an absolute religious necessity. How could the House justify interference with the religious rights of their people? In all countries which had tried Prohibition, the inevitable effects had been contraband trade, contempt for law, perjury, secret drinking, and practically increased intemperance. In the matter of Prohibition it seemed, he added, that the Council was allowing itself to be dragged along the chariot wheels of extremists like Mr. Singhai. He assured the House that the Minister had faithfully carried out the policy and would faithfully carry it out in future. Instead of this vote of censure, in his opinion, the Minister deserved to be congratulated on the results achieved.

The House dividing, the motion was declared lost, 20 voting for and 30 against.

8th. MARCH:—In the Council to-day the demand under Stamps for Rs. 1,31,922 was voted without any discussion.

"Cuts" under "Forests" (Reserved) were either not moved or withdrawn on the explanation of *Sir Arthur Nelson*, Revenue Member, and the demand was voted intact.

Demands made under Registration (Transferred), Irrigation Works charged to Revenue (Reserved), and Irrigation Establishment (Reserved), were not opposed.

After lunch, the demand under General Administration was taken up, and the proceedings became lively.

Mr. *Mangalmoorti* moved a token "cut", urging retrenchment in the staff and household of His Excellency the Governor. He complained of heavy cost and "extravagance."

Mr. *Parekh*, supporting the motion, said that it was essential for the peace and prosperity of both the Government and the people to retrench.

Sir Arthur Nelson assured the House that retrenchment had been and was being carried out.

The motion was not pressed.

A token motion, demanding discontinuance of the exodus to Pachmarhi was defeated by a majority of 17. The demand was still under consideration when the House adjourned for the day.

9th. MARCH:—When the discussion of the demand under General Administration (reserved) was resumed, the Government suffered a defeat over a token "cut" moved by Mr. *Rajurkar* to criticise the addition of more commissionerships to the I. C. S. cadre.

A prolonged debate ensued over Mr. *Parekh's* token "cuts" enquiring what steps the Government had taken to carry out the various recommendations of the Financial Committee. The House accepted both the cuts. The whole demand for Rs. 52,19,000 reduced by Rs. 4 was voted.

Demanding a reduction of one rupee in the General Administration (Transferred), Mr. *Khaparde*, Leader of the Nationalist Party, disapproved of the policy of the Ministers. He criticised the policy pursued by the Ministers in respect of nominations to local bodies, and complained that the Raipur District Council was still in abeyance and nothing had been done to restore it. He also pointed out that Col. Tarr, Civil Surgeon, Nagpur, against whose reappointment after retirement, the Council had expressed strongly, was still in office.

The Hon. *Rai Bahadur Jaiswal*, Minister in charge, replying, said that the grievance was due to the disappointment of certain members of the Nationalist Party in failing to secure nominations. He assured the House that steps were being taken to reconstitute the Raipur District Council.

Regarding Col. Tarr, the Minister observed that the Civil Surgeonship of Nagpur was reserved for an I. M. S. officer, and Col. Tarr was given an extension.

Mr. *Khaparde* pressing for a division, the motion was defeated, 16 voting for and 41 against.

A motion for a "cut" of Rs. 6,000 from the salaries of the Ministers was lost by a majority of 25.

At 5 p. m., to expedite the disposal of the outstanding demands, the guillotine was applied, and further discussions stopped. The Council voted the remaining demands and adjourned *sine die*.

THE U. P. LEGISLATIVE COUNCIL

LIST OF MEMBERS.

President :—The Hon. Sir Sita Ram, Kt.

1. THE HON'BLE MR. E. A. H. BLUNT.
2. THE HON'BLE CAPTAIN NAWAB SIR MUHAMMAD AHMAD SA'ID KHAN.
3. THE HON'BLE NAWAB MUHAMMAD YUSUF.
4. THE HON'BLE MR. J. P. SRIVASTAVA.
5. MR. J. M. CLAY.
6. MR. C. ST. L. TEYEN.
7. MR. P. MASON.
8. MR. P. M. KHAREGAT.
9. MR. H. A. LANE.
10. MR. J. R. W. BENNETT.
11. MR. H. R. HARROP.
12. MR. W. CHRISTIE.
13. RAI BAHADUR PANDIT SURAJ DIN BAJPAL.
14. KHAN BAHADUR SAIYID AINUD-DIN.
15. MR. E. F. OPPENHEIM.
16. MR. H. G. WALTON.
17. MR. F. CANNING.
18. MR. S. T. HOLLINS.
19. COL. H. R. NUTT.
20. LIEUT.-COLONEL C. L. DUNN.
21. MRS. KAILASH SRIVASTAVA.
22. KHAN BAHADUR SAULYI FASIH-UD-DIN.
23. MR. H. C. DESANGES.
24. MR. E. AHMAD SHAH.
25. RAI SAHIB BABU RAMA CHANDRA.
26. MR. PERMA.
27. RAI BAHADUR BABU AWADH BEHARI LAL.
28. RAI BAHADUR BABU KAMTA PRASAD KAKKAR.
29. CHAUDHARI RAM DAYAL
30. CHAUDHRI JAGARNATH
31. THE HON'BLE SIR SITA RAM.
32. CHAUDHRI BALDEVA.
33. SAHU JAWALA SARAN KOTHIWALA.
34. MR. TAPPU.
35. PANDIT MOTI LAL BHARGAVA.
36. RAJA BAHADUR KUSHAL PAL SINGH.
37. CHAUDHRI RAM CHANDRA.
38. CHAUDHRI GHASITA.
39. RAI BAHADUR CHAUDHRI RAGHU-RAJ SINGH.
40. CHAUDHRI ARJUNA SINGH.
41. RAO BAHADUR THAKUR PRATAP BHAN SINGH.
42. RAO BAHADUR THAKUR BIKRAM SINGH.
43. KUNWAR GIRWAR SINGH.
44. PANDIT JOTI PRASAD UPADHYA.
45. CHAUDHRI DHIRYA SINGH.
46. RAO KRISHNA PAL SINGH.
47. HONORARY LIEUT. RAJA KALI CHARAN MISRA
47. THAKUR BALWANT SINGH GAHLOT
49. RAI BAHADUR BRIJ LAL BUDHWAR
50. RAO BAHADUR KUNWAR SARDA SINGH
51. RAI SAHIB MANMOHAN SAHAI
52. BABU RAM BAHADUR SAKSENA
53. LALA SHYAM LAL
54. BABU KAMTA NATH
55. KUNWAR JAGBHAN SINGH
56. THAKUR KESHAVA CHANDRA SINGH.
57. MR. BRIJNANDAN LAL
58. RAO NARSINGH RAO
59. CHAUDHRI RAM ADHIN
60. MR. BHONDWA
61. MAHARAO RAJA RAM SINGH, RAO BAHADUR
62. CHAUDHRI BHAROS
63. PANDIT SRI SADAYATAN PANDE
64. RAJA SRI KRISHNA DUTT DUBE
65. RAI BAHADUR BABU JAGADEVA ROY
66. MR. DAHARI
67. RAI RAJESWAR PRASAD
68. BABU ADYA PRASAD
69. RAI BAHADUR THAKUR SHIVAPATI SINGH
70. THAKUR GIRIRAJ SINGH
71. PANDIT PREM BALLABH BELWAL
72. THAKUR JANG BAHADUR SINGH BILAT
73. SARDAR BAHADUR THAKUR NARAYAN SINGH NEGI
74. PANDIT BRAHMA DUTT BHAIYA SAHIB
75. RAI BAHADUR THAKUR HANUMAN SINGH

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| <p>76. LAL SHEO PRATAP SINGH
 77. KUNWAR DIWAKAR PRAKASH SINGH
 78. THAKUR MUNESHWAR BAKHSH SINGH
 79. THAKUR JAINDRA BAHADUR SINGH
 80. RAJA JAGDAMBIKA PRATAP-NARAYAN SINGH
 81. LAL AMBIKESHWAR PRATAP SINGH
 82. VACANT
 83. RAI BAHADUR KUNWAR SURENDRA PRATAP SAHI
 84. MR. C. Y. CHINTAMANI
 85. RAI RAJESHWAR BALI
 86. MR. ZAHUR AHMED
 87. SYED ALI ZAHEER
 88. KHAN BAHADUR MR. MUHAMMAD ABDUL BARI
 89. SYED YUSUF ALI
 90. KHAN SAHIB MUHAMMAD MAQSUD ALI KHAN
 91. SHAH NAZAR HUSAIN
 92. CAPTAIN NAWAB MUHAMMAD JAMSHED ALI KHAN
 93. NAWABZADA MUHAMMAD LIQUAT ALI KHAN
 94. HAFIZ MUHAMMAD IBRAHIM
 95. MR. MUHAMMAD RAHMAT KHAN
 96. KHAN BAHADUR MAULVI MUHAMMAD OBAIDUR RAHMAN KHAN
 97. KHAN SAHIB MUHAMMAD HADIYAR KHAN
 98. KHAN BAHADUR HAFIZ HIDAYAT HUSAIN
 99. KHAN BAHADUR MAULVI SAIYID HABIBULLAH</p> | <p>100. M. NISARULLAH
 101. KHAN BAHADUR MR. MUHAMMAD ISMAIL
 102. KHAN BAHADUR SHAIKH GHULAM HUSAIN
 103. KHAN BAHADUR HAFIZ GHAZANFARULLAH
 104. KHAN BAHADUR SAIYID JAFER HOSAIN
 105. SHAIKH AFZALUDDIN HYDER
 106. KHAN BAHADUR MAULVI MUHAMMAD FAZLUR RAHMAN KHAN
 107. SIRDAR MUHAMMAD SHAKIRDAD KHAN
 108. MUHAMMAD IMTIAZ AHMED
 109. RAJA SAIYID MUHAMMAD SAADAT ALI KHAN
 110. SHAIKH MUHAMMAD HABIBULLAH
 111. RAJA SAIYID AHMAD ALI KHAN ALVI
 112. RAJA SIR MUHAMMAD EJAZ RASUL KHAN
 113. RAJA SAIYID MUHAMMAD MEHDI
 114. MR. L. M. MEDLEY
 115. RAI SAHIB LALA ANAND SARUP
 116. RAI SAHIB LALA BIHARI LAL
 117. CHAUDHRI MUHAMMAD ALI
 118. THAKUR RAMPAL SINGH
 119. RAI BAHADUR KUNWAR BISHESHWAR DAYAL SETHI
 120. RAJA JAGANNATH BAKHSH SINGH
 121. MR. E. M. SOUTER
 122. RAI BAHADUR BABU VIKRAMAJIT SINGH
 123. BABU GAJADHAR PRASAD</p> |
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THE U. P. LEGISLATIVE COUNCIL

The Budget Session of the United Provinces Legislative Council opened at Lucknow on the 19th. FEBRUARY 1932.

The President announced that the *Agra Tenancy Amendment Act*, the *United Provinces Municipalities Amendment Act*, passed by the Legislature in the previous session, had received the assent of the Governor-General.

Consideration of the report of the Select Committee on the *United Provinces Goondas Bill*, moved by the Home Member, was deferred until the 22nd. February, in view of the objection raised by Rai Rajeswar Bali, Opposition Leader, that the report was laid on the table that morning, and the members therefore had not had time to study it.

BUDGET FOR 1932-33

20th. FEBRUARY:—Presenting the Budget statement in the Council for 1932-33, the Hon. Mr. Blunt, Finance Member disclosed a deficit for the current year and said that for the next financial year, revenue charges are put at 1,243 lakhs or 41 lakhs below the revised estimate of the current year. Mr. Blunt takes note of the facts firstly, that the remission of revenue of current year must be repeated in the next and that there will be little or no recovery under other heads of revenue. Inclusion of remission in next year's estimate does not however imply any sort of undertaking that it will be repeated. Retrenchment operations for the budget year are expected to result in a saving of over 77 lakhs, whereas the ultimate reduction in expenditure resulting from retrenchment operations now in progress would amount to a little over 3 crores.

But in order to meet the deficit, the Government proposed four taxation measures estimated to yield thirty lakhs. They are firstly, enhancement of court fees, secondly, enhancement of stamp duties, thirdly, enhancement of registration fees, and lastly, increase of annual registration of private motor vehicles. This sum of 30 lakhs was a very small sum, compared with 144 lakhs of retrenchment, already effected or to be effected in the Budget year. Though the obvious avenues had been explored, there were still dark recesses in the financial forest where waste might be lurking. If so, the hunters of the Finance Department would track it down.

22nd FEBRUARY:—In the Council to-day the President announced that the *United Provinces Medical Amendment Act*, which was passed in the December Session, had received the assent of the Governor-General.

Consideration of the *Goondas Bill* was postponed till the next day, the Home Member asking for time to go through the amendments moved by Mr. Thakur Hanuman Singh.

The House accepted a motion recommending the introduction of early legislation to amend the Court of Wards Act on the lines recommended in the McNair Committee report.

REDUCTION OF C. I. D. GRANT

23rd. FEBRUARY:—The Council voted to-day most of the demands for supplementary grants.

A vigorous defence of the criminal investigation department was made by the Inspector-General of Police when a non-official member moved a token "cut". He urged that the present was an inopportune moment for the expenditure of a huge sum on this score.

The *Inspector-General* said that certain members of the Council seemed to think C. I. D. activities were entirely directed towards the terrorist movement or towards political activities. The C. I. D. consisted of several departments. Firstly, there was the Criminal Department, the members of which took up all important crimes that extended at times over a number of provinces. For instance, there was what was called the Malsia Coining Conspiracy, now under enquiry. They had arrested about sixty-two people in that connection. The conspiracy extended all over the Punjab, the United Provinces, Bihar and Orissa and Calcutta. They had recovered

several coining machines that were made in Germany. The Malsia community was a very wealthy one in the Punjab and had untold wealth. They had a regular defence fund, and were prepared to spend Rs. 50,000 for the defence of the men involved in the trial. In order to save expenditure, they had a Deputy Superintendent of Police to conduct the prosecution. If they had decided to engage special counsel he would have charged a very much bigger sum. They had thus saved much expenditure. There was, besides, the General Branch, which dealt with the activities of the criminal tribes and were trying to reclaim them all over the province. The speaker submitted that a good deal of extra expenditure had been incurred in connection with these two heads. They had a third branch which dealt with Finger Prints which was also very essential.

The fourth branch dealt with the revolutionary movement. The speaker submitted to the House that they had no revolutionary outrage of a very serious nature in these provinces, and that they had men shadowing all important officials and others engaged in important public activities. He continued: "It may be attributed a great deal to the exertions of these men, that our public servants have been free from attacks." They had a small staff which was engaged in dealing with the recent bomb outrages, and which was collecting material in order that they might not have more of these incidents.

The Inspector General mentioned that there was a bomb outrage in Sitapur the previous day. The missile, which was placed outside the residence of the Headmaster of the local school, and was apparently intended for him, exploded and injured the Chaukidar who discovered it.

Speaking in the same connection, the *Finance Member*, the Hon. Mr. E. A. H. Blunt, said that he thought that if there were no C. I. D., there would be a good many people both inside and outside the House who would feel much more uncomfortable than they did now.

Opposing the motion, *Shakh Muhammad Habibullah* said that, to his mind at a time when the peace of the country was disturbed and when there was the danger of terrorist movement spreading to the Provinces, the Government did just the right thing by taking steps to counter such movements. During the last three months, a great change had taken place in the country, and but for the timely action of the Government, these provinces would also have been the hot bed of the terrorist movement. He added that the C. I. D. were not peculiar to these provinces and that even men, like Mahatma Gandhi had to be protected by the C. I. D. when he visited Europe. The motion was withdrawn.

GRANT FOR IRRIGATION

The House accepted the motion of *Rai Rajeswar Bali*, who urged that the grant under "Construction of Irrigation and Hydro-Electric Work" should be reduced by a rupee to mark the protest of the House against the expenditure of money without previous intimation being given to it.

The *Finance Member* said that he considered that no blame whatever attached to the Finance Department. The blame must, in this case, attach to the proper department.

The *President* observed that it would be a matter for a domestic quarrel, and he did not think that the House could be called upon to give a decision on that.

THE U. P. GOONDAS BILL

Most of the day was spent in the discussion of amendments to the United Provinces Goondas Bill, some of which were accepted. The Bill, as amended, was passed.

U. P. IMMORAL TRAFFIC BILL

24th. FEBRUARY:—The Council, this morning, accepted the motion of Mr. E. Ahmad Shah, who introduced a Bill to provide for the suppression of immoral traffic in these Provinces, and moved for its reference to a Select Committee.

Mrs. Kailash Srivastava was congratulated by all sections of the House when she introduced a Bill to amend the U. P. District Boards Act, the object of which was to provide for representation of women on the local bodies.

The proposed amendment, if passed, would enable the Government to nominate a woman member to every District Board in the United Provinces.

Mrs. Srivastava's Bill was referred to a select committee.

On her own motion, a similar procedure was adopted with reference to her *Bill to amend the U. P. Municipalities Act*.

The Council passed the *Bill to amend the U. P. Land Revenue Act*.

CONFERENCE OF LEADERS

25th. FEBRUARY:—The Council adopted to-day a non-official resolution recommending to Government to communicate their request to the Government of India to convene a meeting of the leaders of the various parties in the country in order to find means for a settlement and to secure the co-operation of all parties in the inauguration of the new constitution for India.

The only dissentient was Khan Bahadur Fasihuddin.

The Finance Member, speaking on behalf of the Government, said that unless it could be absolutely guaranteed that there would be a recrudescence of trouble and the present trouble would cease, he must oppose the resolution. If, on the other hand, it was merely a cry for peace, he continued: "Let us make friends, and get on with the business, and then I should not, at all events, strongly oppose it."

The Council also passed a resolution moved by *Thakur Hanuman Singh* with amendments, recommending to the Government that the "policy of coercion should be replaced by a policy of conciliation and that to achieve this object the Government should enjoin on officers certain matters."

ABOLITION OF OUDH CHIEF COURT

26th. FEBRUARY:—The abolition of the Oudh Chief Court as a measure of economy was suggested by Rai Bahadur Vikramajit Singh during the general discussion on Budget to-day.

All the speakers urged for more retrenchment and some of them opposed the new taxation proposals.

REDUCTION OF MINISTERS' SALARY

29th. FEBRUARY:—In the Council to-day, a non-official motion to reduce the salaries of Ministers by a rupee "to draw the attention of the House to the unsatisfactory nature of the nominations made" was defeated.

The mover explained that it was far from his intention to bring in a vote of censure. All that he wanted was to ensure that, in the matter of nominations to the Local Boards, they must see that, as voters had been given a free right to vote, the element of nomination did not vitiate the result and give place to favouritism.

The Finance Member, the Hon'ble Mr. E. A. H. Blunt announced that the Home Member, the Hon'ble the Nawab of Chhattari proposed to take only Rs. 4,000 as salary, and thanked him on behalf of the Government.

REDUCTION OF COMMISSIONERS

1st. MARCH:—The Council accepted to-day the motion of *Thakur Hanuman Singh*, who by a token cut urged a reduction in the number of Divisional Commissioners.

The Finance Member, speaking on behalf of the Government, said that they had fully considered the question and had come to certain conclusions and had made certain recommendations. He was unable to divulge the precise nature of those recommendations, because the matter was the subject of correspondence with the higher authorities. He however admitted that the House had good reasons to press its own views. All that he had to say with regard to this particular 'cut' was that he would not oppose it. If the House saw it fit to pass it, there would be no opposition from the Government benches.

BETTER TREATMENT OF DY. COLLECTORS

Civil servants were the target of attack, when moving a token cut of one rupee, a non-official member pleaded for better treatment for Deputy Collectors from their superior officers, in matters official as well as social. In doing so, he cited certain instances of alleged ill-treatment of Provincial Service men by those belonging to the Civil Service.

The Finance Member, speaking on behalf of the Government, said that they held the very highest view of the Provincial Civil Service, and assured the House that if

concrete cases of bad treatment were brought to their notice, they would deal with them "very seriously".

The motion was withdrawn.

At 4-30, the guillotine was applied, and the demand of Rs. 1,05,34,295 under General Administration (transferred), less reductions aggregating to Rs. 902, was put and voted.

3rd. MARCH :—By 44 to 26 votes, the Council accepted on the motion of Rai Rajeswar Bali, Deputy leader of the Nationalist Party, a token cut of one rupee in the demand for the Education Department.

The mover pointed out that the object of the motion was to draw the attention of the Government to the fact that, at present, there were three officers at the headquarters on the administrative side of the department and all the three were Europeans. Without raising the question of racial discrimination, he felt that, at the headquarters, there should be some Indians in order that the Indian viewpoint might find adequate expression.

Mr. A. H. Mackenzie, Director of Public Instruction said that the problem of Indianising the Secretariat was different in the education department from what it was in the Reserved Departments. He asked if it was fair that a few European officers who were left in the Educational Service, should be denied that experience, which would enable them to qualify for the very few openings available to them.

The entire demand for the "Education Department" minus Rs. 2 was voted.

A token "cut" in connection with the demand for "Administration of Justice", and urging the amalgamation of the Allahabad High Court, was under discussion when the guillotine was applied.

The entire demand of Rs. 6,01,2,053 was put and voted.

10th. MARCH :—With the exception of a rupee cut, the Council voted the demand for Rs. 18,42,200 under Public Health to-day.

The Finance Member presented the demand for collection and administration of Land Revenue amounting to Rs. 74,64,627.

Several motions for reduction or omission were discussed, but were either negatived or withdrawn. The entire demand was voted.

12th. MARCH :—Replying to a motion for reduction of the secret service grant in the Council to-day, Mr. S. T. Hollins, Inspector-General of Police said that there were certain people who worked secretly for the police and Government had to reward them secretly. He assured the House that these men rendered service which had serious risks of life. Only the other day they had to shadow in Allahabad two Bengalees who had revolvers in their pockets. Mr. Hollins submitted that the Department concerned would be unable to carry on its activities without this grant.

The Nawab of Chhatari, Home Member said that there was no police force in the world which had no secret service grant and the amount of Rs. 12,000 that was wanted was only too small considering the size of the Province.

The motion was withdrawn.

14th. MARCH :—Subject to a reduction of Rs. 30,000, the Council voted the demand for police grant to the extent of Rs. 15,217,197. With two exceptions the cut motions were withdrawn or negatived.

The Finance Member presented the demand for Rs. 9,000 for famine relief which was voted entirely.

Minus a token cut of Re. one urging the desirability of Government granting loan to the Municipal Board of Gorakhpur, the demand for Rs. 1,276,000 under the head Loans and Advances by the Local Government was voted.

The entire demand of Rs. 438,652 under Registration was voted.

15th. MARCH :—The Council voted the entire demand of Rs. 42,95,000 under the head "Charges on Irrigation and Hydro-Electric Establishment."

Moving the demand for a grant of Rs. 30,26,369 for Jails and Convict Settlements the Home Member, the Nawab of Chhatari, said that the Budget was curtailed by about 7 lakhs and every possible avenue of retrenchment was explored.

The motion for "cuts" were withdrawn. The discussion had not concluded when the House adjourned.

16th. MARCH:—During the discussion on the demand under jails and convict settlements to-day, several members vehemently protested against the arbitrary classification of political prisoners, mostly in the 'C' class, with little or no regard to their social status and instances were given of the selfsame persons who were 'A' class prisoners in connection with the last Civil Disobedience movement being given 'B' or 'C' class in connection with the present campaign. Exception was also taken to the summary manner in which Col. Palmer, Inspector-General of Prisons, dealt with numerous complaints voiced by the House.

Rao Krishna Pal Singh said that it was wrong to complain against the local Magistrates for classification of persons of high social status in 'C' division as it was almost universal in all districts and he had strong suspicion that Magistrates must have received some secret instructions about the matter. He wished to protest emphatically against the absolute indifference of Government to the wishes expressed by the Council as regards proper classification of political prisoners and however much they differed from Congressmen in politics, they could not refuse them courteous and dignified treatment in jails. Congressmen were not like the ordinary criminals and Indian Members of the Government should realize that they owed their high positions to the sacrifices of their countrymen in previous years and that the next instalment of reforms would be likewise due to the immense sacrifices of Congressmen who were most of them now undergoing imprisonment. The speaker said that glaring injustice as regards classification had been done to these noble patriots who chose to suffer for the sake of their convictions. He mentioned in particular the name of Sardar Narbada Prasad Singh who was formerly moving on equal terms with at least half a dozen Ruling Princes and yet had been given 'B' class. He particularly pressed for considerate and sympathetic treatment to women Congress prisoners as they were members of respectable families and could in no sense be regarded as criminals. He lastly depicted the unwholesome conditions of the Lucknow camp gaol and pleaded for betterment thereof.

Col. Palmer, Inspector-General, quite agreed with the ideal that the Government should provide special accommodation for "A" and "B" class prisoners in District Jails, but the cost of doing it would be prohibitive and would amount to several lakhs. As regards jails for females, accommodation for "A" class female prisoners was provided in the Lucknow Central Jail, for "B" class female prisoners in Benares and for "C" class female prisoners in Fatehgarh. All these three prisons have wholtime matrons, where naturally supervision was very much better than in smaller jails. Another member had referred to the question of suitable work for female prisoners. The Inspector-General said that work for females was a very difficult question and they had sewing classes in the Benares Female Prison and sewing work in Fatehgarh Jail. The Government were also trying to provide the same work in the Lucknow Female Prison. The Inspector-General in conclusion said that the jailors could not inflict any punishment without the sanction of the superintendent.

Mr. Vikramajit Singh contrasted the way in which European and Indian prisoners were removed from one place to another. The latter were tied with rope as if they were monkeys and Mr. Singh characterised this practice as nothing short of disgraceful. He urged that there should be humane treatment of prisoners and they should not be treated as dumb animals.

By a token cut under the entire head **Thakur Muneshwar Bakhsh Singh** criticised the arbitrary classification of political prisoners which gave rise to strong resentment among the public and instanced the case of the son of Seth Jammalal Bajaj, who was given "C" class at Hardoi Jail.

Mrs. Srivastava, wife of the Minister, urged on the Home Member the necessity of giving female prisoners *saris* or at least letting them have their own dress. If Government could not provide them with *saris*, Government should not force women prisoners to put on *lanhgas* (corresponding to "mundu" in Madras) which they were unaccustomed to and which was not the dress of the province. Secondly, children and women-political prisoners, she understood, were given their first meal at 12 o'clock in the day and she was sure Government would agree with her that it was very cruel to keep them starving till midday. Thirdly, Mrs. Srivastava appealed to the Home Member, chivalrous as he was, to give all women political prisoners higher class than "C" and not to force them into the company of other women who were either murderers or robbers. She lastly urged that women political prisoners should be given more freedom and not as at present locked up in cells and allowed to be out twice a day for half an hour each time (Applause).

The *Nawab of Chhatari*, Home Member, said that Col. Palmer as head of the department could not deal with the several points raised in the discussion involving matters of policy with which members of the Government concerned could alone deal. As regards classification, the Home Member admitted that there were cases in which mistakes had been committed and he was quite willing to look into every case brought to his notice either by the prisoner himself or those that were interested in him. Alluding to the report of the Jails Enquiry Committee he concurred with their opinion that social status and not the motive of the crime should be the sole criterion for classification of every prisoner and on the same ground he regretted his inability to accede to the request of Mrs. Srivastava that no women political prisoners should be put in "C" class. The demand was voted in full.

THE U. P. COURT FEES BILL

17th. MARCH:—The Council discussed to-day the Select Committee's report on the U. P. Court Fees Act Amendment Bill presented by the Finance Member.

A non-official member moved that consideration of the bill be postponed to a future date and said that, before saddling the tax-payers with further taxation, the Council should be satisfied that all the recommendations of the Retrenchment Committee had been carried out.

The Opposition Leader, however felt that, for sometime at least, fresh taxation was necessary. He asked the Finance Member as a condition precedent to stop further recruitment to Imperial Services and continue the emergency cut for another year in order that the finances might balance.

The postponement motion was, thereafter, withdrawn and the Bill was taken into consideration and passed on the next day.

This was the first of the four taxation measures that were proposed to be placed before the House with a view to increase the revenue of the Provinces and would be in force for a period of two years. The object of the measure was, in addition to the measure of economy and retrenchment, to increase the revenue by reimposing the enhanced rates of court fees which was first done for a year in 1923. With the exception of a few members, the Independent Party including their Leader Raja Jagannath Baksh Singh and non-officials, including the Opposition, mostly supported the measure.

ENHANCEMENT OF STAMP DUTY

The Council passed, in an amended form, two other taxation measures agreeing to reimpose the enhanced stamp duties in view of the financial position of the province and recommended the enhancement of rates of registration fees.

MUNICIPALITIES ACT AMEND. BILL

19th. MARCH:—The Council passed to-day the Bill to amend Municipalities Act. The object of the measure among others was to give more powers to the Chairman to carry on the administration.

The Council was then *prorogued*.

THE SUMMER SESSION

The Summer Session of the Council opened at Naini Tal on the **13th. JUNE** 1932, the Hon'ble Sir Sitaram Ram presiding.

The *President* read a message from His Excellency the Governor, recommending reconsideration of a particular clause in the *United Provinces Assistant to Tenants Bill*.

It was announced that the Governor General had assented to the *U. P. Goondas Act*, the *U. P. Court Fees Amendment Act*, the *U. P. Stamp Amendment Act* and the *U. P. Land Revenue Amendment Act*.

Thereafter, the House adjourned for the day without transacting any business, as a mark of respect to the memory of the late Maharaj Kumar Mahijit Singh.

GOVTS. EXCISE POLICY

14th. JUNE:—In the Council to-day, Mr. C. Y. Chintamani Leader of the Opposition, moved a resolution urging the abolition of the auction system of disposal of excise licences reintroduced in certain districts, as well as the sale of country spirits in open bottles. Mr. Chintamani assured the House that the resolution was not in the nature of a motion of "no-confidence" in the Ministers, and asked the members to compel the Government by all the moral authority at their command to proceed along the lines laid down by them and lead the people to total abstinence. "Every vote that is given to-day, will decide not the fate of the Ministers, but the question of drink or sobriety."

Mr. S. S. L. Dar, Excise Commissioner, explaining the Government's position observed, on the authority of the Minister-in-charge, that total abstinence was yet their goal, and that they had changed some of the methods with the object of eradicating illicit distillation where it was rife and to enable them to collect data, without which it would be impossible to decide what methods would serve their purpose best. There was no finality in the proposals adopted, and the Ministry had not yet definitely committed itself one way or the other.

On the motion of Khan Bahadur Hafiz Hidayat Husain, the House agreed to defer discussion until sufficient data had been collected to examine the question, whether the procedure would increase consumption or not.

SUPPRESSION OF IMMORAL TRAFFIC

15th. JUNE:—The Council devoted to-day to the consideration of the Select Committee Report on the Bill to provide for the suppression of immoral traffic. The object of the measure was to check commercialised prostitution in the province.

When however the third reading was moved, an objection to the Bill was raised by the Moslem members, which objection was upheld by the President.

WOMEN IN U. P. DISTRICT BOARDS

16th. JUNE:—The Council passed to-day a Bill piloted by Mrs. Kailash Srivastava to amend the United Provinces District Boards Act, with the object of providing more adequate representation to women on these bodies, especially where there was no chance for them to get in by election. It will enable the Government to nominate a woman member to every Board in the Province.

It may be mentioned that the Select Committee, with the casting vote of the Chairman the Hon'ble Nawab Mahomed Yusuf, inserted a provision in the Bill to the effect, that in nominating a woman member, the Minister should not alter the existing communal proportion.

Among those who opposed the amendment was the author of the Bill herself Mrs. Srivastava, who moved for its deletion.

In the course of the debate on the amendment, speakers belonging to both the communities complained that communalism had been sought to be introduced by the inclusion of the provision.

The Minister-in-charge, Nawab Mahomed Yusuf, observed that it was purely a matter of principle, and that there was no question of communalism. He added that if the principle was embodied, it would equally affect both the communities.

The motion to delete the amendment was rejected. The Bill was passed into law and the House adjourned.

SUPPRESSION OF IMMORAL TRAFFIC

The House then took up the debate on Mr. Ahmad Shah's bill for the suppression of immoral traffic.

Mrs. Kailash Srivastava felt disappointed at the attitude of those who opposed the bill. Referring to the fear expressed by Chaudhuri Muhammad Ali that rescued girls might be forced to change their religion, Mrs. Srivastava asked what was woman's religion but her moral character. She asserted there would be no dearth of rescue homes for girls who were rescued.

Nawab Zada Liaquat Ali Khan said he had listened with great astonishment and disappointment to the speeches of those members who had spoken in opposition to the bill. As had been pointed out by the mover, the object of the Bill was not to stop prostitution altogether, but was to check the evil of commercialized vice. It meant that if any man on account of economic depression got hold of a few women and lived on their earnings by prostitution that man should be punished.

The bill did not propose compulsory marriages for rescued girls but only proposed to take girls from evil surroundings and to give them a chance to choose any other profession. The speaker finally expressed surprise at a speech made by the Home Member and said it was very inconsistent for the Government now to remain neutral, having participated in yesterday's division and debates. The speaker concluded : "Every vote that will be given against the bill to-day will be a vote in favour of organised commercial prostitution in this province".

The bill was eventually rejected by the House by 35 votes against 30.

U. P. ARREARS OF RENT BILL

17th. JUNE:—In the Council to-day, the President the Hon. Sir Sitaram put to the vote of the House an amendment, in accordance with H. E. the Governor's message, to the U. P. Arrears of Rent Bill which was passed during the March session.

The Bill, which was an official measure aimed at rendering assistance to tenants in view of the prevailing economic conditions. During the March session, Raja Jagannath Baksh Singh, Leader of the Independent Party, moved an amendment urging that in all cases where remission of rent was granted, remission in revenue to the extent of half the amount of rent remitted, should be given. It was carried against official opposition. His Excellency the Governor, instead of giving assent to the measure, sent it back to the Council for reconsideration with the recommendation that for the word "half" might be substituted the words "forty per cent of."

The House accepted the amendment, there being no dissentients.

20th. JUNE:—Non-compliance with standing orders in the matter of answering questions in the most prompt manner possible, was strongly commented on by the President to-day.

The questions in the present instance related to the health of Pandit Jawaharlal Nehru, Pt. Govindballabh Pant and two other political leaders now in jail and as to whether or not the District officers had been asked by the Government or any member thereof to assist in obtaining financial support to "The Pioneer" news-paper.

As regards the first question the President observed that if the answer was postponed till October, the matter would perhaps cease to be of any public interest. He added that if in the future these orders were not complied with and postponement was asked for on grounds which were inadequate, the Chair would have to see what to do. He hoped the Chair would not be compelled to take action.

The Finance Member, the Hon. Mr. E. A. H. Blunt, as Leader of the House, regretted that there had been these complaints, and that there had been grounds therefor and promised to do his best to see that there was no occasion for them in the future. The statement was received with applause by all sections of the House.

DT. BOARDS ACT AMEND. BILL

Without a division the Council accepted the Bill moved by the Minister for Education, the Hon. Mr. J. P. Srivastava to amend the United Provinces Dt. Boards Act. The measure sought to ensure improved vernacular education in the rural areas.

MUNICIPALITIES ACT AMEND. BILL

1st. JUNE:—The Council voted to-day Rs. 12,518 for the department of Publicity and Reforms by 59 votes to 16 as well as other supplementary demands for grants. It also passed Mrs. Kailash Srivastava's Bill to amend the United Provinces Municipalities Act to ensure greater representation of women on these bodies.

The Council then adjourned *sine die*.

THE N. W. F. Pr. LEGISLATIVE COUNCIL

LIST OF MEMBERS.

**President :—The Hon. Khan Bahadur Khan Abdul Ghafur
Khan, Khan of Zaida**

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| 1. THE HON'BLE KHAN BAHADUR,
KHAN ABDUL GHAFUR KHAN,
KHAN OF ZAIDA. | 20. GHULAM HAIDER KHAN, KHAN
BAHADUR. |
| 2. THE HON'BLE MR. CLAUD HENRY
GIDNEY. | 21. GHULAM HASSAN ALI SHAH ALIAS
HASSAN GUL PIR. |
| 3. THE HON'BLE KHAN BAHADUR
NAWAB SIR ABDUL QAYUM KHAN. | 22. KHAN HIDAYATULLAH KHAN. |
| 4. THOMSON. MR. J. S. | 23. KHAN HABIBULLAH KHAN. |
| 5. HOPKINSON, MR. A. J. | 24. HAMIDULLAH KHAN, KHAN BAHADUR
NAWAB. |
| 6. ADAM. MR. J. H. | 25. ISHER DAS, RAI BAHADUR LALA. |
| 7. RAI BAHADUR CHUNI LAL | 26. KARAM CHAND, RAI BAHADUR. |
| 8. KHAN SAHIB QAZI MIR AHMED. | 27. KHUDA BAKHSH KHAN, MALIK. |
| 9. ALLAH NAWAZ KHAN, NAWABZADA. | 28. LADHA RAM, LALA, |
| 10. KHAN, GULAM RABBANI KHAN | 29. MUHAMMAD ZAMAN KHAN, KHAN
SAHIB. |
| 11. HASSAN ALI KHAN, SULTAN, KHAN
SAHIB, OF BOL. | 30. KHAN MUHAMMAD ABBAS KHAN. |
| 12. KHAN MALIK-UR-RAHMAN KHAN,
KAYANI, | 31. MUHAMMAD SHARIF KHARIF, ARBAB |
| 13. NARINJAN SINGH BEDI, BABA. | 32. MUHAMMAD AYUB KHAN, MR. |
| 14. KHAN ABDUL GHAFUR KHAN. | 33. MEHR CHAND KHANNA, RAI SAHIB,
LALA. |
| 15. ABDUL QAYUM KHAN, MR. | 34. NUR BAKHSH, MAULVI. |
| 16. ABDUL RAHMAN KHAN, ARBAB | 35. PIR BAKHSH, MR. |
| 17. KHAN ABDUL HAMID KHAN, KUNDI. | 36. RAJAH SINGH, SARDAR, |
| 18. ABDUR RAHIM KHAN, KUNDI, KHAN
BAHADUR. | 37. ROCHI RAM, RAI SAHIB LALA |
| 19. BAZ MUHAMMAD KHAN, KHAN
BAHADUR, NAWAB. | 38. SULTAN MUHAMMAD KHAN, KHAN
BAHADUR. |
| | 39. SAMUNDAR KHAN, MR. |
| | 40. TAJ MUHAMMAD KHAN, KHAN BAHADUR. |
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The N. W. F. Pr. Legislative Council

The Viceroy's Inaugural Speech

Amidst usual pomp and splendour the inauguration ceremony of the first Reformed North-West Frontier Legislative Council was held at Peshawar on the 20th. April 1932. The Council was opened by H. E. the Viceroy who made a speech of which the following is the text :—

Your Excellency, Your Highness, Nawabs, Sirdars, Khans, Raikes, Ladies and Gentleman—I should like to preface what I have to say this afternoon with a word of thanks to you all on behalf of Lady Willingdon and myself for the cordial reception which you have given us, on this occasion of my first official visit as Governor-General, to your historic capital. This is not indeed, the first time that we have been here or tasted the traditional warmth of a Pathan welcome. Of that I could find much to say, but there is business to transact this afternoon, and I must not delay you with personal reminiscences. I will therefore pass on to the more important matters which I wish to discuss with you to-day.

THE IMPORTANCE OF THE FRONTIER

It was now rather more than thirty years ago, since a recognition of the vital importance of the Frontier caused Lord Curzon's Government to take Frontier affairs under their own immediate management and control by severing from the Punjab, this tract of British India which lies beyond the Indus and forming it with the Hazara District into the North-West Frontier Province, with a separate administration of its own. Thirty years ago, almost to the day, Lord Curzon himself visited the Frontier to inaugurate the new scheme of things and to explain the policy of the Government. As he said in the opening words of his speech, which I suppose, some of you present here to-day have heard, he came to the Frontier and the message which he brought for them was, in substance, the same as that which I now have for you to-day—not only for you, the Hon'ble Members of the newly elected Provincial Legislative Council, whom I congratulate upon your election, but for all of you who, whether as electors or elected, have now begun to take your part in the working of the Reformed Constitution. "Your destinies", said Lord Curzon, "are mainly in your own hands, and I look to your local pride and local patriotism to see that they are zealously guarded and that the North-West Frontier Province shows itself ever more deserving of the interest that has secured for it a separate existence and an independent name."

Thirty years have passed and gone since those memorable words were uttered, and in the interval, Viceroy after Viceroy, in turn, has come to Peshawar and travelled through your province—not only to view the stage upon which so many great exploits have been performed in the past and across which so many of the great figures of Indian History have moved, but also to testify to the abiding interest of the Government of India in your welfare and to learn for himself, by personal contact, something of the Pathan spirit and all that it stands for. In those thirty years, India has seen great changes. Here, in the great Continent, with its vast population, has been laid the sense of perhaps the most daring and the most momentous political experiment ever attempted by any branch of the human race—I mean the establishment of forms of Representative Government and the introduction of democratic institutions, with all their latent hopes and possibilities, into the administrative fabric of the country. In that experiment, you are now about to take your full part. If Lord Curzon's message to the generation which came before you was true, how much truer is it now for you and how much truer still will it become for your descendants in the days to come, when the seed which we are now planting shall have taken root and the great constitutional scheme for which we are all working shall have brought responsibility everywhere in its administration to the people of this country.

SUBVERSIVE ACTIVITIES

At this point I must ask you to allow me to digress for a moment from my main subject, and to speak to you with absolute frankness in regard to certain very unfortunate incidents and occurrences—I am glad to note, only in a small part of the province—connected with the general election in which you have all been engaged during the past weeks. The purpose of our gathering here to-day is to celebrate the fact that, after years of waiting, your province has now become a Government's province and has been placed on a footing of equality with the other provinces in India. Almost everywhere you seem to have risen to the occasion and to have grasped the good gift which the Government has given. But what do I hear of Mardan and Charsada?—a shameful story of voters intimidated, of loyalists assaulted and of senseless and futile obstruction. These are strong words, gentlemen, but I am sure you will agree with me that they are not unmerited.

What possible object do those who organised the movement to which I refer, or those who took part in it, think that it is going to serve? They have made themselves the tools of a dangerous and subversive propaganda. They have deliberately placed themselves in opposition to the aspirations of the great majority of the people, and have attempted to make impossible the fulfilment of the desire of this province to attain the same status and rights as other Governor's Provinces. By their action they are impeding the restoration of normal conditions and are making impossible the withdrawal of those extraordinary powers which my Government have been compelled to assume. There must be no misapprehension in this respect. So long as their activities continue the Government must and will retain the powers which are necessary to meet them. If on the other hand they abandon their unlawful acts and co-operate in working the Constitution, that has to-day been inaugurated, I am confident that the Governor-in-Council will not be slow to suggest, nor the Government of India to approve, the relinquishment of powers which will then no longer be necessary. In the meantime here, as elsewhere, it is our fixed determination to press on with the constitutional reforms and we shall not be deterred or delayed by these unlawful activities from achieving the purpose we all have in view—a great Federation of all the various interests and communities of this country. That Federation, gentlemen, is an object worthy of the best energies which any of us can put forward and I ask you now to do your part to realise that equality of opportunity means equality of responsibility, and to show yourselves declared supporters of the Reformed Constitution, by which alone true progress on the path of orderly advance is possible.

INSTRUMENT OF INSTRUCTIONS TO GOVERNOR

Now, I turn, more particularly to address myself to you, gentlemen, the President and members of the Legislative Council of the North-West Frontier Province. Perhaps, I cannot do better than take as the text for what I have to say to you, the Instrument of Instructions that is given by His Majesty the King-Emperor to each Governor of a Province on his appointment. The first of these instructions is that the Governor shall do all that lies in his power to maintain the standards of good administration. If this charge finds the first place in the Instruments of Instructions to all other Governor, how much more necessary is it that it should do so in this province, where stands the gate of India, of which he and you are the keepers? This instruction is addressed to the Governor, but the Governor is but one part in the machinery of the Constitution, and no machine, however carefully contrived, can work to its highest efficiency unless all its parts harmonise in the fulfilment of their separate functions. I am confident that you will always be able to count upon the guidance and support of your Governor who has, during many years of close association and service amongst you, always proved himself your tried and trusted friend. In the promotion of all pleasures that may be necessary to secure those standards of good administration which he is enjoined to maintain, I am equally confident that he, in his turn, can count upon that part which it is no less incumbent upon you to render. Here I must ask you to bear with me again while I make further digression.

CRIME REGULATION

I am aware of the anxiety which has found expression in many quarters for the immediate repeal of those regulations which are in force in this province. The problem, gentlemen, is not a simple one and demands consideration from all aspects,

but the point on which criticism has chiefly been focussed is the procedure laid down in a portion of that regulation known as the Frontier Crimes Regulation (though the name is something of a misnomer) for the trial of criminal cases by reference to a Council of Elders. This, gentlemen, is a subject on which much might be said, but I desire at present to say no more than this. With the approval of my Government recourse to that procedure has recently, as you no doubt are already aware, been suspended by Executive order in the districts of Hazara and Dhrā Imaīl Khan. His Excellency the Governor now informs me that, with the full consent of the district officers concerned, he has decided similarly to suspend this procedure in the three remaining districts also, but as an experimental measure for a period of one year only. He and his officers are now engaged in considering in what other respects the operation of the Regulation can be modified and he hopes to be able to make a further announcement on this subject shortly. Meanwhile, during that year, you will have opportunity to study and discuss this question and present your conclusions to the Local Government, by whom they will be carefully considered.

ADVANCEMENT OF MINORITY COMMUNITIES

I ask you, gentlemen, to accept this as an earnest of the spirit by which the Government and its officers in the new province are animated and to respond to it in kind. Your co-operation in this spirit is needed, for the times through which your province, in common with other provinces in India, has been passing have been times of no ordinary difficulty and the task that confronts you is no easy one. You have seen around you the stirrings of discontent and the distress of poverty—symptoms of the unsettled conditions that are to-day a most worldwide. Your most earnest and pressing desire must be to alleviate them. Many of you have thought that in this change from the old order to the new is to be found a Heaven-sent remedy. "Where there is a will there is a way" is a common saying, and I believe that the honesty and sincerity of the ideal can do more than anything to clear the paths you seek to follow. But this, or that political institution is not an end in itself. It is merely the means to an end, and that end must be the contentment and prosperity of those whose welfare it has been designed to serve and whose chosen representatives you are. It is your duty, therefore, as it is a duty enjoined upon your Government, to maintain the high standards of good administration and to encourage co-operation and goodwill among all classes. The essence of the modern system of Representative Government is not the arbitrary enforcement of the will of the majority. Let me again quote from the Instrument of Instructions to your Governor. He is enjoined to take care that due provision shall be made for the advancement and social welfare of those classes committed to his charge who, whether on account of the smallness of their number or their lack of educational or material advantages or from any other causes, are specially in need of protection and cannot as yet fully rely for their welfare upon joint political action, and that such classes shall not suffer have cause to fear neglect or oppression. He is further enjoined to see that no act of his Legislative Council shall be so framed that any of the diverse interests of or arising from race, religion, education, social conditions and wealth be deprived of the privileges or advantages, which they have therefore enjoyed or be excluded from the enjoyment of the benefits which may hereafter be conferred upon the people at large. Were it enacted that each member of this Legislative Council should also receive upon his election some such instrument or manual of instruction as that which is issued for the guidance of your Governor, I can conceive of nothing that could better epitomise his duties and responsibilities.

Each of you has, it is true, been elected by the majority of voters of your constituencies, but it is not to that majority alone that you owe your sole and entire duty. You have a duty to all those who, whether from lack of education or material advantages or from any other causes, specially needed your protection or to those who cannot, as yet, fully rely for their welfare upon united action. All this is implied in the admonition to maintain standards of good administration and of co-operation and good-will among all classes and creeds. As I have said, that task will be no easy one, but to-day we look not to the past, but the future and I am optimistic enough to believe that I see the hand of the political barometer once again moving steadily towards "set fair". From this optimism, I am not diverted by what has happened in the two areas to which I have alluded elsewhere. Throughout the province your response has been very different. It has manifested

itself in the keenness with which your elections have been fought, and has shown that you are determined to have no further part or lot with those whose misguided patriotism has sought to lead them along paths that are alien to the traditional and oft-proved loyalty of the Pathan race—your pride of race and qualities in which I see the happiest augury for your future. But you must not deceive yourselves into thinking that the battle has been won, and that all will now be plain-sailing. There must be peace within your borders, and the forces of disorder must be held in check.

"HASTEN SLOWLY"

The Reforms which you have now been granted are, as you know, but the first instalment of the further measure of reforms in which you are to share equally with the rest of India. Your novitiate in the art of Self-Government will therefore be short; but you must see to it that it is thorough. Your feeling will, I know, be that there is much to do and but little time in which to do it. That is but natural, but it is for this reason all the more necessary that you should beware of being tempted into hasty or precipitate courses. 'Hasten Slowly' must therefore be your guiding principle, remembering that upon the security of the foundations which you are now to lay, will depend the strength and safety of the structure which is shortly to be built upon them.

I now commend you to the task that lies before you. In the discharge of it, you will have the best wishes of myself and of my Government and of the peoples of all the provinces of India. It shall be our pride and interest to watch your progress and see that you justify the position of responsibility to which your province has now attained.

The Budget Session

The first business sitting of the Council commenced at Abbottabad on the 18th. MAY 1932. It was an imposing assembly of Frontier's foremost representatives. Clad in their salvars and torahs and thick frock coats, the stalwart figures of the Border members lent a certain air of dignity and grandeur to the Council which looked distinguished and businesslike in every respect.

Following the swearing-in of one nominated member, questions were answered after which the first Provincial Budget under the reformed constitution was presented by Hon'ble Mr. C. H. Gidney.

Excluding figures for the first 17 days of April 1932, the provincial receipts and expenditure for the current year are estimated at 65 lakhs and 159½ lakhs respectively. The subvention by the Government of India for the current financial year will amount to 94 lakhs as a net expenditure of 6 lakhs for the first 17 days of April will be adjusted in the Budget of the Central Government. In his speech introducing the budget estimates the Finance Member said that with the help of the subvention the closing balance at the end of the year was expected to be 9½ lakhs. "Ours is an economy budget," he said "and a scrutiny of it will satisfy members that every endeavour has been made to keep expenditure down to the minimum consistent with good administration." Dealing with the head 'Police,' Mr. Gidney said that if there was no deterioration in the political situation, a reduction of 689 in the Police personnel was contemplated within the next few months, but should law and order be jeopardised, there would have to be an increase from the present budgeted expenditure of 33 lakhs.

GENERAL DISCUSSION ON BUDGET

20th. MAY:—That rigid economy should be exercised in the routine departments and more funds devoted towards nation-building activities, such as education, sanitation and improvement of agriculture, was the key-note of the speeches at to-day's sitting of the Council, when a general debate on the Budget was initiated. In all, 11 members spoke and considering that the Council is new to its task, opinion in the lobby was unanimous that the debate reached a high level of eloquence and well-informed criticism.

Malik Khuda Bakhsh, Leader of the Independent Opposition Party, who initiated the debate, delivered an impressive speech, in which he maintained that this, their first Budget under the Reforms, bore too much resemblance to its previous prototypes to bear the impress of the new era, which it was supposed to introduce. In his opinion, the chief feature of the Budget was the solicitude to maintain law and

order and any attempt to promote activities beneficent to the people in general and to raise them from their present backward state was conspicuous by its absence. The Budget was silent on the subject of improved sanitation, irrigation of arid areas and provision of industrial education. The Frontier was quite on a par in point of importance with the rest of India's Provinces but a great wrong had been done to it by reducing the proposed subvention by about twenty lakhs and this pruning would launch the new regime on its career under such a severe handicap that both the Reforms and the Council were in danger of proving failures.

Among the speakers who followed, there was a remarkable unanimity that the immediate needs of the people should not be subordinated to the exigencies of the general administration and the maintenance of law and order, urgent though they were. They contrasted the amounts appropriated to education, jails and the relief of unemployment with those for the police, forests and public works and said they were quite willing to meet in modest surroundings rather than spend Rs. 250,000 on a Council Hall. They urged that, with the introduction of changed conditions, a liberal-minded policy of trust and confidence should be adopted and the more top-heavy departments should be compelled to cut down their expenses which would make for peace and contentment, thereby eliminating wasteful administrative expenditure and leading the people of the Frontier into channels of constructive effort and prosperity.

21st. MAY:—Khan Bahadur *Abdul Rahman Khan*, Deputy President continuing the debate to-day, entered a strong plea for the fixation of the Central subvention at a figure adequate to the financial needs of the Province. He expressed the fear that with the introduction of central responsibility in a Federal system of government, the importance of the Frontier would be forgotten and it would be regarded as a white elephant, unworthy of such considerable subvention. As regards the budget itself the only comment, he said, he had to make was that the spending departments, especially the Police, should be managed with the greatest economy possible. In this connection he appealed to the Government to lay aside the weapon of repression and in a spirit of magnanimity and a far-sighted statesmanship adopt a policy of conciliation which he was confident would be readily reciprocated by the people of the Frontier so that harmony might take the place of bitterness and opprobrium.

Mr. *Habibullah Khan* (Nationalist) was cheered from all sides of the House when he said that he and his party had not come to the House as wreckers, but with a will to work out the reforms and if the best interests of the people could be served thereby, he and his friends were quite prepared to co-operate with the Government in all benevolent schemes. He was, however, constrained to say that the budget, as it stood, showed no change of heart and no solicitude for the toiling masses. It was not even an economy budget as the Finance Member had described it, because, while Rs. 33 lakhs out of a revenue of Rs. 65 lakhs had been appropriated for the police, including extra police, no corresponding provision had been made for the welfare of the people. He declared that the Government was intent on the maintenance of law and order as though that was the *sine qua non* of its existence. He challenged the Government to point out even one instance in which it had acted in a spirit of appreciation of the new order of things or to win the people's co-operation.

Mr. *A. J. Hopkinson*, Secretary of the Transferred Departments, in a spirited speech replied to the various charges made by the members against the Government. He said that the Government was doing everything it could to show a change of heart if that could only be discerned. Constitutional advance of which the Council was a part was the result of a change of heart. Moreover, the Frontier Crimes Regulation had been partly suspended. Further proofs of change of heart might have been forthcoming if certain wreckers had not been laying themselves out to frustrate the Government's best intentions. It was easy to lay charges against the police and draw verbal pictures of how people were groaning under their heels. But when there were such demented people abroad as would make a game of burning people's letter boxes, how could one charge the Government with making a fetish of law and order? He appealed to critics to remove the causes of friction. They would find the Government not a whit less prepared than they to ameliorate the condition of the people.

Nawab Muxaffar Khan, Reforms Officer and *Sir Abdul Qayum*, Minister, and *Mr. Gidney*, Finance Member, explained the budget and pointed out that even with

the limited resources at their disposal, the Government had appropriated the maximum amount to the nation-building departments and the minimum to the spending departments consistent with good administration.

VOTING ON BUDGET DEMANDS

23rd. MAY:—Voting on demands for grants was taken up in the Council. to-day. Only one demand, namely, the one for Rs. 2,97,000 for Land Revenue and Stamps was passed. Several members attacked the Land Revenue administration and levelled charges of corruption against the department.

The Finance Member gave a sympathetic reply, and assured the House that attempts would be made to remove as far as possible all the grievances mentioned during the discussion of this demand.

The House rejected the demand for Rs. 86,000 for Excise and Registration.

Speakers from all sides of the House, including Progressives, Nationalists, Hindus and Muslims condemned the policy of finding money for the Minister through the sale of liquor and intoxicants. Many of the Urdu speeches delivered in support of rejection of the motion made a great impression. Members of the Minister's own party (Progressives) joined hands with the Opposition on this issue.

24th. MAY:—Voting on demands for grants was continued in the Council to-day, and six more demands were passed including Forests (Rs. 66,22,000), Irrigation (Rs. 100,30,000, General Administration (Rs. 13,15,000) and Justice (5,50,000).

Taken "cuts" were moved in respect of all the major demands, but were withdrawn following assurances from the members-in-charge that the grievances, to give expression to which the cuts were moved, would be thoroughly investigated and redressed if possible.

A severe criticism of all the departments concerned was a feature of the speeches and, in the end, the Finance Member appealed to the members to mention specific grievances and particularise alleged conditions of maladministration, while moving token "cuts" instead of making general charges against the Government.

The departments that came in for the most severe criticism were Justice and Jails. Many vehement speeches were made in which members asked for the more humane treatment of political prisoners.

Khan Bahadur *Abdul Rahman Khan*, Deputy President, reminded the Government that before long they would have to deal with the persons who were now suffering the rigours of the jails, and it was no good giving Mr. Gandhi alone fair treatment in jail.

THE FRONTIER PRISONERS

During question hour, it was stated that so far as the Frontier was concerned, between 25th December 1931 and 9th May 1932 the total arrests were as follows:— 2,669 under the Ordinances; and 3,841 under the Criminal Law Amendment Act. The total convictions were 49 under the Ordinances; 4,263 under the Criminal Law Amendment Act; 92 under the Frontier Regulation; and 199 under the ordinary law.

DISCUSSION ON FOREST DEMAND

Replying to the criticisms of reckless expenditure and enforcement of "begar" during the discussion on the Forest Demand, Mr. *Hopkinson*, Secretary to the Transferred Departments, said that the officers were strictly told not to countenance 'begar' and if any such charge could be proved, the offending officials would be punished. He pointed out that Forests were the chief asset of the province and it was the duty of every patriotic member to support the progressive policy of the Government regarding Forests, seeing that New Zealand with not even half the forest area of the province was making its forest pay many times more.

DISCUSSION ON IRRIGATION GRANT

After the Forest Demand was passed without opposition Mr. *Abdul Ghafar Khan* moved a cut of Rs. 5 in the Irrigation Demand. It was pointed out by the speakers that an entirely disproportionate amount was being spent on the non-productive phases of irrigation such as the Upper Swat Canal and although very high

rates were levied from the agriculturists. the canals of the Frontier were not paying propositions as were canals of the Punjab and the United Provinces.

The members from Dera Ismail Khan also demanded that something should be done to irrigate their arid tracts.

The *Finance Member* explained that Irrigation, as a whole, was a public utility concern and the capital expenditure undertaken thereon would give an adequate yield in the years to come, although he could not hold out any immediate hopes, that any particular limb of the irrigation system which was at present unproductive, would become productive forthwith.

DEMAND FOR ECONOMY IN ADMINISTRATION

The cut of Rs. 5 in respect of the General Administration was withdrawn, after the Finance Member had given an assurance that the Government was fully alive to the need for the utmost economy and that retrenchment would be effected wherever possible. In this connection, the Leader of the Opposition Mr. *Khuda Baksh* asked the Government to examine the necessity of the annual exodus to the hills, pointing out that sessions courts functioned in the plains just as well in summer as in winter.

In regard to the administration of Justice it was suggested that efficiency and not any other consideration should be the basis of recruitment to the magistracy. It was also observed that judges were never punctual in starting their day's work.

DISCUSSION ON JAILS GRANT

Discussion on the Jail Demand was enlivened by many fervent speeches, the Nationalist members declaring that the conditions inside jails were horrible beyond description.

Mr. *Hopkinson* replied that he also had been a prisoner during the War and had gone through similar experiences.

Pir Baksh Khan, Mr. *Habibullah*, Mr. *Abdul Qaiyum Khan*, Mr. *Nur Baksh* and Mr. *Abdul Rahim Khan* all appealed to the Government to do away with the flogging of political prisoners on their uncovered body and the order denying any sort of interviews to politicals. They said that such treatment rankled in the public mind and one whose self-respect had been wounded while his personal liberty had also been forfeited, remained an enemy throughout life. This was what the Government was laying in store for itself in the future.

Mr. *Abdul Rahim Khan* added that if Mr. Gandhi had great respect for the English people, it was in a great measure due to his being treated as a man while he was their prisoner. There were thousands of others in jail for similar reasons who had forfeited their personal liberty and the Government must treat them as honest men.

Mr. *Hopkinson*, replying, narrated the difficulties of the Government and said that officials were ever ready to maintain the prisoner's self-respect if the prisoners remembered that officials also had such a thing as self-respect. No one was wantonly ill-treated and the jail manual was not an instrument of torture. If political prisoners after entering the jails, became guilty of incitement to mutiny and similar conduct, they called upon themselves the punishment prescribed by the law.

The debate was adjourned.

DISCUSSION ON POLICE GRANT

25th. MAY:—Voting on demands for grants concluded in the Council to-day and all the demands were passed without any reduction.

Two "cuts" were proposed, one of Rs. 5 under Jails and another of Rs. 2 lakhs in the Police demand. The Nationalists and Non-Moslem members combined in support of the former cut but it was defeated by 18 to 16 votes and the entire Jails demand of Rs. 8,86,900 was passed.

There was a very keen debate on the cut under Police, but it fell through, as a result of the surprising action of Nationalist members in withdrawing from the House just before the guillotine fell.

The Inspector-General of Police Mr. *Adam* had replied to all the points raised by the critics of the police administration and Mr. *Pir Baksh*, mover of the "cut" was on his feet exercising his right of reply. Owing to the trend of Mr. *Pir Baksh's* speech, the Finance Member, as Leader of the House, appealed for the maintenance of a semblance of reality and seriousness in the debate, by confining the speeches to the

merits or demerits of the proposals actually under consideration. The guillotine was then just about to fall and the President asked Mr. Pir Baksh to wind up his remarks. Quite unexpectedly, Mr. Pir Baksh gave up his right of reply, on the ground that the treasury members had been given more time and withdrew from the House, accompanied by other Nationalist members. After the withdrawal of the Opposition group, all the demands, including the Police demand were put from the chair and passed.

DISCUSSION ON JAILS DEMAND

Discussing the Jails Demand *Major Diamond*, Inspector-General of Prisons, who was specially nominated for the purpose, dealt with the criticism regarding whipping, banning of interviews and penal diet in jails and the treatment of women prisoners. Major Diamond said that whipping was entirely brought about by the conduct of the political prisoners. The Inspector-General of Prisons described the difficulties of the jail officials in dealing with political prisoners and said that in Haripur Jail the 3,000 prisoners created such an anxious situation for the authorities that they had to choose between handing over the jail to the military and whipping the ringleaders. "Better that a few known ringleaders are whipped" he said, "than that a single innocent convict should be injured by firing". He described how politicals, immediately on coming to jails, shouted slogans, snatched food from the convict-distributors, rushed the sector gates whenever they were opened, refused to surrender their clothes and abused the jail officials. He declared that they were non-violent neither in deed nor words, and that if they ceased to create trouble for the jailors, they could ensure for themselves all the comforts under the Jail Manual.

Mr. G. R. Gidney observed that the Government were compelled to resort to whipping with the greatest reluctance. He emphasised that political prisoners were whipped not because they were political prisoners, but because only such drastic action could ensure the safety of the jails. Indeed, on one occasion, military assistance had to be called for control of the Haripur jail, and in his opinion a serious calamity was averted thereby. As regards interviews, Mr. Gidney said that most of the prisoners were surreptitiously keeping up contact with the outside world not for their private affairs, but to foment more trouble and to incite others to create trouble. As regards the charge that only one woman visitor has visited the Haripur jail, the Finance Member said that the Government had invited many ladies to visit jails, but they had refused. Concluding, the Finance Member said that no prisoners would be whipped and no jail penalties inflicted if he behaved properly.

A few Hindu members, including Rai Sahab Mehar Chand Khanna, voted in favour of the cut of Rs. 5 in the Jail demand, which was however passed in full.

MOTION FOR "CUT" IN POLICE GRANT

A "cut" of rupees two lakhs was proposed in the Police demand of Rs. 2,86,50,00 and arguments advanced in support thereof were that extra police were no longer necessary and that there were any number of policemen on guard at the European dance halls, clubs, bungalows, and meeting places, while the city was ill-guarded. The police were setting a bad example by indiscriminate use of their lathis, and the police, as a department, were made too much of.

Many members paid glowing tributes to the Frontier Police, including Mr. Nur Baksh and Khan Bahadur Abdul Rahim Khan, but the latter also declared that, to the coming era of the people's Government, police subordinates were leaving an undesirable legacy and bad tradition, by being too free with their lathis. Others including Nawab Zada Allah Nawaz Khan (Dera Ismail Khan), uttered a note of warning, that any weakening of the police in the Frontier would be fraught with grave danger to the whole of India.

Mr. Allah Nawaz Khan denied that the police were to blame for the calamities of Cawnpore and Dera Ismail Khan. On the other hand, they only illustrated the consequences of weakening the police force as at Cawnpore.

Mr. Adam, Inspector-General of Police, quoted figures to show that crime was on the increase in spite of all the talk of non-violence and harmony and that registered crimes showed a rise of 55 per cent as compared with 1929. He asked the Leader of the Opposition, who had been a Public Prosecutor for five years, how many cases of extorted confessions and false cases (as he had alleged) he had brought to the Government's notice during his official regime. The Inspector-General of Police stoutly defended the Frontier Police, and said that they were

second to none throughout India in respect of loyalty and devotion to duty. They had manfully handled the situation, which they had been suddenly called upon to face throughout the districts, and if they did not always act too gently, that was because they could not deal with organised lawlessness in that manner. While admitting that no police force was perfect, Mr. Adam said that if the criticisms proved anything, it was that the Frontier Police who were drawn from excellent material, were in need of more training and he hoped that when shortly he came forward with a proposal for a police training school, the House would readily accept it.

The House at this stage adjourned.

NON-OFFICIAL RESOLUTIONS

26th. MAY:—Non-official business was taken up in the Council to-day, when four resolutions were discussed, of which one was passed with the concurrence of the Government, one was withdrawn and the third rejected. The fourth resolution relating to co-operative credit societies was under discussion when the House adjourned.

RELEASE OF HATIKHEL PRISONERS

Mr. *Habibullah Khan* (Nationalist) moved that the Governor-in-Council be pleased to release the Hathikhel prisoners convicted in connection with the incident of August 1930, in which a large number of persons, including Captain Asheroff, were killed.

The Nationalist members, including Messrs. *Pir Baksh* and *Khuda Baksh* as well as Khan Bahadur *Abdul Rahim Khan* and Rai Sahib *Meharchand Khanna*, supported the resolution, while Maulvi *Nur Baksh* withdrew his amendment, and associated himself with the mover. It was stated that only five out of the 38 persons convicted in connection with the incident were now in prison, and that this was a fit case for the exercise of the prerogative of mercy which would soothe the whole of Bannu territory. Moreover, in the action that was then resorted to, the people had been sufficiently punished and a magnanimous gesture now would not be out of place. "I have great faith in the magnanimity of the Government", said Mr. *Habibullah*, "and I appeal to the Government to forget and forgive."

Mr. *Gidney*, Finance Member, giving the history of the incident, said that while a platoon of military under Capt. Asheroff were drawn up at a hamlet to reinforce the police, a large lashkar who were armed with rifles, advanced and opened fire on Capt. Asheroff's men, resulting in nine soldiers being killed and ten being wounded. Capt. Asheroff himself was killed. It was not an unarmed non-violent crowd as had been alleged, but the following of two ring-leaders who were openly inciting the trans-border tribes to rise against the British Government. The condemned persons had been convicted of murder, and they were not political prisoners in any sense of the term. The Finance Member said that he was then an Executive Officer of the district and he had personally told Captain Asheroff not to open fire unless provocation was offered. There was no proof to bear out the suggestion that Capt. Asheroff had gone and pulled the beard of Mullah Abdul Qadir, while the latter was addressing a gathering of non-violent Congressmen. On the other hand, Capt. Asheroff's men were first fired upon by the Mullah's men, who were intent on murder. As a further proof of the temper of the crowd, Mr. *Gidney* stated that an attempt was just then made to murder the Political Officer. These were fired upon while proceeding in a car.

Mr. *Habibullah Khan*, replying to the debate, maintained that it was a crowd of non-violent Congressmen who had no intention of bringing about armed insurrection. The Government had been gravely misinformed. They should release the remaining prisoners, if for no other reason, because they were convicted by a jirga under the Frontier Regulation without a proper judicial trial.

The resolution was put to vote and lost without a division.

WATER SUPPLY TO TERI COUNTRY

Speaking on his resolution asking for an adequate water supply for Teri country, *Nawab Bax Muhammad Khan* described how the villagers there had sometimes to walk as many as ten miles to fetch water so that in one trip they had to traverse about twenty miles for a small supply of water, spending nearly eight hours daily in its collection. He claimed that his tribe was one of the brightest jewels of the British Crown and if the benign Government could not extend to them

the amenities of railways and canals, they could at least bring within their reach the heavenly blessing of pure water.

Nawab Muxaffar Khan gave his experiences and counselled self-help through local channels and private efforts in the first instance, a suggestion which was assailed by Nationalist members as the philosophy of text books. They declared that they were hardly in a position to help themselves.

Mr. Burket and *Mr. Gidney*, on behalf of the Government, observed that the question had long been under the consideration of the Government and experiments were in hand to find out the most economical means of supplying water to the Teri country. The great difficulty was of course money, but they assured the House that there was every possibility of their plans maturing this year.

EXPANSION OF CO-OPERATIVE CREDIT

Several members supported *Khan Ghulam Haider Khan's* resolution in favour of opening co-operative credit societies and extending the system throughout the province.

Mr. Hopkinson, Secretary, Transferred Departments however uttered a note of warning that in this sphere more haste meant less speed, as had been the experience of most other provinces throughout India. He said that these co-operative institutions should be carefully nurtured and watched and the Frontier should guide itself from the experience of other provinces.

27th. MAY:—The Budget session of the Council ; concluded to-day. *Khan Bahadur Ghulam Haider Khan's* resolution in favour of starting co-operative credit societies in the districts where they have not yet been started and increasing their number where they already exist, was accepted by the Government, and it was passed without any opposition.

Mr. Hopkinson reiterated that any hasty advance in Co-operative effort was fraught with the danger of the movement itself receiving a serious setback from which it might take long to recover. The experience of others was before them. As the movement was essentially based on self-help, it was necessary that there should be as little official interference in the work of these societies as possible.

WATER SUPPLY IN BARREN DISTRICTS

Another resolution which was passed without opposition, was that moved by *Mr. Habibullah Khan* recommending that immediate measures should be taken for making adequate provision for the construction of tanks and wells for the supply of drinking water in the barren tracts of the Hazara, Bannu, Kohat and D. I. Khan districts.

PUNJAB MUNICIPAL ACT AMEND. BILL

Mr. Pir Baksh (Nationalist) introduced a Bill to amend the *Punjab Municipal Act* 1911 as applied to the North-West Frontier Province empowering Municipal Committees to prohibit by notice the keeping of brothels or the residence of public prostitutes in the Municipal areas. The Bill sought to impose penalties for non-compliance with a notice of such prohibitions.

Mr. Pir Baksh traced the history of the agitation against prostitution in the Frontier culminating in the resort to direct action in Bannu and Kohat and said that Section 152 of the Punjab Municipal Act was a great obstacle in the way of the municipalities, dealing with this social curse. Lengthy trials and the difficulty of adducing direct evidence of prostitutions were other difficulties to meet which he had provided for summary trials and the eligibility of evidence regarding the reputation of the accused.

The Finance Member described these provisions as taking a leaf out of the Ordinances to which he supposed the mover strongly objected.

Maulvi Nur Baksh raised the point that tinkering with the Indian Evidence Act and the Criminal Procedure Code in a provincial enactment was hardly permissible. He was in sympathy with the principle of the Bill but public interest demanded that it should be circulated for eliciting opinion on its provisions and he therefore moved its circulation. This was supported by the Government.

Mr. Hopkinson said that the Government hesitated to break new ground in respect of social legislation, except in matters of urgent importance. While the Government was always eager to take public opinion with it, it had no mind to

outstrip it. Because the Government supported the motion for circulation, it should not therefore be supposed that the Government was opposed to measures of social reform. The Government's object was to allow public opinion to crystallise on this issue and circulation would not entail a delay of more than four months.

Mr. *Khuda Baksh* opposed the amendment and he was supported by Khan Bahadur Abdul Rahim Khan, who suggested that if an improvement was all that was desired, the Bill might be referred to a select committee.

The Minister, *Sir Abdul Qayum* appealed to the Nationalist benches not to think that the Government was composed of reactionaries opposed to progress of any kind.

The amendment was put and carried, after a division had been claimed.

WATER SUPPLY IN BARREN DISTRICTS

The debate on Mr. *Habibullah's* resolution followed the lines of that on Nawab Baz Muhammad Khan of Teri's, only the conditions in some of the districts affected by his resolution were described as worse than in Teri.

Maulvi *Nur Bakhsh* declared that people had sometimes to migrate from their villages bag and baggage, because water could not be obtained for miles and miles around. In addition to this hardship, they had also to go without schools and hospitals, because these could not exist unless there was sufficient water for all.

Rai Sahib *Rochiram* observed that serious diseases which kept the people bed-ridden for years were prevalent in these tracts owing to scarcity of water, which when available at all was muddy and germ-laden.

Mr. *Thompson*, Revenue Commissioner, gave a sympathetic reply and said that the Government was doing everything it could to alleviate the distress arising from scarcity of water, but it would take sometime before the Government's plans were put into execution.

HIGH SCHOOL FOR GIRLS IN PESHAWAR

Mr. *Meharchand Khanna* moved a resolution urging the establishment of a High School for girls in Peshawar. He complained that the N. W. F. Government was not spending on female education even a fraction of what the Punjab was spending, and it was high time that the Government opened a high school for girls at Peshawar.

Sardar Raja Singh supported the resolution. *Maulvi Nur Bakhsh* withdrew his amendment in order to facilitate its easy passage. The resolution, however, could not be put for want of time, and a large number of people who were watching the debate, were disappointed.

The Budget Session then concluded.

THE PUNJAB LEGISLATIVE COUNCIL

LIST OF MEMBERS

President :—The Hon. Chaudhri Sir Shahab-ud-Din, Kt.

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|---|--|
| 1. THE HON'BLE CHAUDHRI SIR SHAHAB-UD-DIN | 41. DIN MUHAMMAD, KHAN BAHADUR SHAIKH |
| 2. THE HON'BLE CAPTAIN SARDAR SIKANDAR HYAT KHAN | 42. FAIZ MUHAMMAD, SHAIKH |
| 3. THE HON'BLE H. CALVERT | 43. FAQIR HUSAIN KHAN, CHAUDHRI |
| 4. THE HON'BLE SARDAR SIR JOGEN-DRA SINGH | 44. FAZL ALI, KHAN BAHADUR NAWAB CHAUDHRI |
| 5. THE HON'BLE MALIK FIROZ KHAN NOON | 45. GOPAL DAS. LALA |
| 6. THE HON'BLE DR. GOKUL CHAND NARANG | 46. GURBACHAN SINGH, SARDAR |
| 7. BOURNE. MR F. C. | 47. HABIB ULLAH, KHAN BAHADUR, SARDAR |
| 8. BOYD, MR. D. J. | 48. HAIBAT KHAN DAHA, KHAN |
| 9. FAZAL ILAHI, KHAN SAHIB SHAIKH | 49. IMAM-UD-DIN, MAULVI |
| 10. GARBETT, MR. C. C. | 50. JAGDEV KHAN KHARAL, RAI |
| 11. GILL, LIEUT. COL. C. A. | 51. JASWANT SINGH, GURU |
| 12. HADOW, MR. R. P. | 52. JAWAHAR SINGH DHILLON, SARDAR |
| 13. HEARN, MR. J. W. | 53. JYOTI PRASAD, LALA |
| 14. IRVING, MR. MILES | 54. KESAR SINGH, RAI SAHIB, CHAUDHRI |
| 15. MARSDEN. MR. P. | 55. LABH SINGH, MR. |
| 16. PUCKLE, MR. F. H. | 56. MALAK, MR. MUHAMMAD DIN |
| 17. SALE, MR. S. L. | 57. MAMRAJ SINGH CHOCHAN, KANWAR |
| 18. SANDERSON, MR. R. | 58. MANOHAR LAL, MR. |
| 19. GHANI, MR. M. A. | 59. MOHAN LAL, RAI BAHADUR, LALA |
| 20. JANMEJA SINGH, CAPTAIN, SARDAR BAHADUR SARDAR | 60. MOHAN SINGH, SARDAR BAHADUR, SARDAR |
| 21. LABH CHAND MEHRA. LALA | 61. MOHINDAR SINGH, SARDAR |
| 22. MAYA DAS, MR. ERNEST | 62. MUBARAK ALI SHAH, SAYAD |
| 23. MUSHTAQ AHMED, MIAN | 63. MUHAMMAD ABDUL RAHMAN KHAN, CHAUDHRI |
| 24. RAHIM BAKSH, MAULVI SIR | 64. MUHAMMAD AMIN KHAN, KHAN BAHADUR, MALIK |
| 25. ROBERTS, MR. OWEN | 65. MUHAMMAD EUSOOF, KHWAJA |
| 26. SHAVE, DR (MRS) M. C. | 66. MUHAMMAD HAYAT, QURESHI, KHAN BAHADUR, MIAN |
| 27. SHEO NARAIN SINGH, SARDAR BAHADUR SARDAR | 67. MUHAMMAD HASSAN, KHAN SAHIB, MAKHDUM, SHAIKH |
| 28. ABDUL GHANI, SHAIKH | 68. MUHAMMAD JAMAL KHAN LEGHARI, KHAN BAHADUR, NAWAB |
| 29. AHMAD YAR KHAN, DAULTANA, KHAN BAHADUR MIAN | 69. MUHAMMAD RAZA SHAH GILANI, MAKHDUMZADA. SAYAD |
| 30. AKBAR ALI, PIR | 70. MUHAMMAD SADIQ, SHAIKH |
| 31. ALLAH DAD KHAN, CHAUDHRI | 71. MUHAMMAD SARFARAZ ALI KHAN, RAJA |
| 32. ARJAN SINGH, SARDAR | 72. MUHAMMAD YASIN KHAN, CHAUDHRI |
| 33. BALBIR SINGH, RAO BAHADUR CAPTAIN, RAO | 73. MUKAND LAL PURI, MR. |
| 34. BANSHI LAL, CHAUDHRI | 74. MUKERJI, RAI BAHADUR MR. P. |
| 35. BHAGAT RAM, LALA | 75. MUZAFFAR KHAN, KHAN SAHIB CAPTAIN MALIK |
| 36. BISHAN SINGH, SARDAR | 76. NARENDRA NATH, DIWAN BAHADUR. RAJA |
| 37. BUTA SINGH, SARDAR | 77. NATHWA SINGH, CHAUDHRI |
| 38. CHETAN ANAND, LALA | 78. NAZIR HUSAIN, CHAUDHRI |
| 39. CHHOTU RAM, RAO BAHADUR, CHAUDHRI | |
| 40. CHOWDHRI, MR. SAJAN KUMAR | |

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| 79. NIHAL CHAND AGGARWAL, LALA | 86. RAMJI DAS, LALA |
| 80. NOOR AHMAD KHAN, KHAN SAHIB
MIAN | 87. RAM SARUP, CHAUDHRI |
| 81. NUR KHAN, KHAN SAHIB, RISAL-
DAR BAHADUR | 88. RAM SINGH, 2ND-LIEUT. SARDAR |
| 82. NURULLAH, MIAN | 89. RIASAT ALI, CHAUDHRI |
| 83. PANCHAM CHAND, THAKUR | 90. SAMPURAN SINGH, SARDAR |
| 84. PANDIT, MR. NANAK CHAND | 91. SEWAK RAM, RAI BAHADUR, LALA |
| 85. RAGHBIR SINGH. HONORARY
LIEUTENANT SARDAR | 92. SHAH MUHAMMAD, CHAUDHRI |
| | 93. UJJAL SINGH, SARDAR SAHIB,
SARDAR |
| | 94. ZAFRULLA KHAN, CHAUDHRI, |

The Punjab Legislative Council

THE PUNJAB MUNICIPAL AMEND. BILL

The Budget session of the Punjab Legislative Council opened at Lahore on the 25th. FEBRUARY, 1932 with Choudhuri Shahabuddin in the chair. The attendance was full. After new members had taken the oath of allegiance, questions concerning local interests were answered by the official members. The reports of the select committees on the *Punjab Service Commission Bill* and on the *Punjab Nurses' Registration bill* were presented to the House.

The Hon'ble Dr Gokulchand Narang, Minister for Local Self-Government next moved that the *Punjab Municipal (Amendment) Bill*, which was introduced in the last session of the Council, be referred to a select committee, consisting of twelve members. Dr. Narang, giving the reasons for its reference to a select committee, said that he would welcome suggestions and amendments which would occur to members in the select committee and that the amendments would receive his best consideration.

There was a hot discussion over the selection of members to the select committee. Some more names were suggested to be added to the list of members mentioned by the mover.

At this stage, Sir Henry Craik said the number of members on a select committee should be as few as possible. Otherwise, there would be a burden in these days of stringency.

After some discussion, nine more names were added, out of which six would be local members, who would not get any travelling allowance.

The Council at this stage adjourned till the 29th instant.

REVIVAL OF MIDDLE SCHOOL EXAMINATION

29th. FEBRUARY :—The Council discussed to-day Mr. E. Maya Das's resolution recommending the Government to rescind the Education department's circular directing the reinstitution for Anglo-vernacular schools of an examination equivalent to the previous Middle School examination, success in which is prescribed as obligatory for promotion to IX class. The mover said that this examination was abandoned in 1904 as it was then found that the minds of teachers and the pupils were constantly fixed on passing examinations rather than on study. The circular says that the introduction of this examination would lessen the number of failures at the matriculation stage. The speaker said that at the matriculation stage already the percentage of failures were much less than at the Intermediate or the B. A. stage. The proposal would unnecessarily burden the students' minds, put more expenditure on parents, and discourage education after class VIII.

The resolution was supported by members from all sides of the house. No speaker opposed it except the Director of Public Instruction Mr. Anderson, who said that the main object of introduction of the proposed examination was to reduce the number of failures at the matriculation standard, which were due to too many

promotion in the earlier classes. There was no undue strain on boys, as all English boys underwent an examination at that stage, and the expenditure was not more than Rs. 7 after seven years' educational career.

BUDGET FOR 1932-33

In presenting the budget to the Council on the 3rd. MARCH, Sir Henry Craik, Finance member, painted a depressing picture of the provincial finances. He said that the final accounts of the previous year showed revenue receipts of 85 lakhs below the estimated. Instead of the current year opening with a credit balance of 32 lakhs, it actually opened with a deficit balance of 10 lakhs. As the result of enormous remissions of land revenue and abiana, totalling 159 lakhs, and also the fall in receipts under other heads, the actual revenue for the current year was now expected to be 1½ crores less than the budget estimate. Total reduction of expenditure in the current year effected by economies had been 108½ lakhs gross, or 81 lakhs net.

During the current year, capital expenditure estimated at 215 lakhs had been reduced to 192 lakhs. The whole of this would have to be met from borrowing except 14 lakhs representing excess of recoveries over out-goings in the Provincial Loan Account.

Turning to the prospects for the year beginning 1st April next, Sir Henry Craik said that the schedule of new expenditure had been reduced considerably below the modest figure of last year, from 40 to 24½ lakhs of which only 5 lakhs was really new expenditure, the remainder being merely for Establishment. The total expenditure chargeable to revenue had been reduced to 982 lakhs, being the lowest since the reforms except the year 1923-24. The revenue estimate had been formed midway between the normal year and the worst possible year hitherto experienced. The gap between these two figures was slightly over a crore and a half and a carefully considered estimate of individual departments came to a figure under all ordinary heads of 1,038 lakhs, which was about three quarters higher than the actual revenue of the current year. If this amount would be realised, there would be a surplus over expenditure of 56 lakhs to which would be added 27 lakhs for extraordinary receipts. Capital account had been estimated at 159 lakhs as against 192 lakhs for the current year. This expenditure would be met by borrowing save to the extent of 14 lakhs.

Turning to the report of the Revenue Sources Committee he observed : "No really considerable addition to our revenue can be expected within the present limited field for provincial taxation even if the time were opportune for the imposition of fresh provincial taxation." Finally he said : "A tentative forecast of revenue and expenditure prepared by the Finance Department for the five years 1933-34 to 1937-38 seems to show that even without allowing for any further expansion in one nation-building activities, it will take us five years of slow recovery to wipe out the accumulated revenue deficit of 152 lakhs."

PROTECTION AGAINST MOLESTATION BILL

4th. MARCH:—By 42 against 21 votes the Council referred to a select committee to-day Mr. Faiz Mahomed's Punjab Protection Against Molestation Bill, which is based upon the Intimidation Ordinance of 1930 and punishes all offences under it, up to six months or with a fine or both, for two years after the passage of the Bill.

The mover said that picketing was accentuating communal feelings and therefore he thought it his duty to prevent the evil.

Mr. Narendranath said that as the Civil Disobedience Movement was not strong in this province there was hardly any necessity for enacting such a bill.

Pandit Nanakchand said that the Government apparently did not need this measure. He did not understand why the Bill was brought forward.

Mr. Shah Mahomed said that under the provisions of the Bill, the police could arrest persons promiscuously for even whispering to others to take to swadeshi. Khah Bahadur Din Mahomed said that the bill would affect the sale of swadeshi goods.

The Legal Remembrancer said that there were no provisions in the Bill which were foreign to a similar law which once existed in England.

Mr. Abdul Ghani said that the Council would be doing a very grave disservice to the Government, by putting the Bill on the statute book.

Rao Bahadur Chaudhri Chhoturam, while opposing the giving of powers to the police, suggested that the Bill be referred to a select committee to report by the 7th

May next. He thought that if the Civil Disobedience Movement died out, then the Bill could be dropped, otherwise the House would proceed with it.

Mr. *Mohammad Sadiq* said that the Bill was a wild cat, designed to devour the bird of freedom. Under its provisions, a father could be jailed for asking his son to go to school.

Mr. *Mukundlal Puri* said that he was informed that the Government of India was seriously considering the bringing forward of all Ordinances in the form of a Bill before the Assembly. So, why not wait for that occasion?

Mr. *Faiz Mahomed*, replying to the debate, referring to those who attributed motives, said that those who were guilty, thought others to be so. As regards the necessity for the Bill, he thought that if he did not introduce it people would think that while the Viceroy was issuing Ordinances to restore peace, Indians were doing nothing.

VOTING ON BUDGET GRANTS

10th. MARCH:—When the Council re-assembled to-day for voting Government demands for grants a surprising development occurred.

Mr. *Mukundlal Puri* moved that the Budget presented by the Government was most ambiguous and quite contrary to the usual practice. He expressed his inability to table any "cut" motion in the absence of detailed figures. The President called upon the Government to explain.

Sir Henry Craik, Finance Member, said that it was done as several members in 1930 had complained that the budget was too lengthy. This question should not be taken at this stage, he suggested, as it would lead to the wastage of a lot of time and money.

Several non-official members pressed for detailed information and asked for the adjournment of the House in order to enable the Government to supply full details. The motion was rejected, as all the official and nominated members were against the proposal.

After this, Mr. *Nanakechand* moved for half an hour's adjournment, which was accepted by the House.

During the adjournment non-official members decided that instead of an adjournment for two or three weeks, a week's adjournment should be moved.

When the House re-assembled Mr. *Chhoturam* moved that the House be adjourned from the 14th to 21st. during which time the House should be supplied with the necessary information.

The President at this stage said that as days for discussing the budget were fixed by the Governor, he would communicate the views of the House to him and the decision thereon would be conveyed to the House the next day.

Later on, at the suggestion of the Government, a committee of four non-official members was formed in order to seek from the Government the particular information wanted by the members from time to time.

The House then proceeded to discuss the Government demand for "Land Revenue".

Mr. *C. H. Chhoturam* moved that the grant be reduced by Rs. 73,400 by bringing the post of Director of Land Records under reduction.

On an assurance given by the Chief Secretary, that as much reduction as possible would be made in this connection, the mover withdrew his motion.

11th. MARCH:—Speeches pointing to the deplorable condition of the Punjab Zamindars were made to-day in the Council which passed the first token cut in the land revenue grant. The Government spokesman, Mr. Calvert, financial commissioner, said the Government was doing what it possibly could to give relief to the zamindars who were hit by the world-wide slump. Thereafter the land revenue demand was granted. A cut of one lakh in excise demand to press the Government for economy in the department and another token cut against *patwaris'* record inspection fee were defeated.

14th. MARCH:—The grants in respect of forests (Rs. 1,368,600), forest capital expenditure (Rs. 4,067,000), registration (Rs. 74,300, and irrigation (Rs. 8,952,900) were voted to-day by the Council without any cuts. Several cuts were moved in respect of these grants but were either rejected or withdrawn.

On a token cut moved by Khan Bahadur *Mian Mahomed Hayat Qureshi* in the Irrigation Demand, to protest against the high water rates, the mover argued that

when the price level had shrunk and the economic distress had overpowered the zamindars, a cut in rates was most essential.

Raja Narendranath said that the water-rate should be fixed at such a level that every poor peasant would be able to pay it. When the rates of all commodities had fallen down, why were the Government maintaining the old rates?

Sardar Ujjal Singh said that the Punjab was an agricultural province, and it was more hardly hit than the other part of India, there being no industry in the province. The prices of commodities had fallen. The present circumstance showed that the prices would not rise in the near future. The future price of wheat was likely to be less than it was at present. It would be impossible for the zemindar to meet both ends.

Mr. Nanakchand Pandit said that excepting a few big landlords, the zemindars were ready to part with their land, as they could not pay the land revenue and the water-rate.

17th. MARCH:—The Government policy for recruitment to Government posts was enunciated by *Mr. C. C. Garbet*, Chief Secretary, in the Council to-day when communal matters again loomed large during cuts on demands for grants.

Mr. E. Mayadas (Christian) moved another cut to point out the smallness of the number in the Irrigation Department of those communities that were stated in the census returns as "others".

Hindu members urged a statement of policy by the Government in regard to appointments.

Mr. Garbet, Chief Secretary, said "others" communities in the Punjab represented 3.6 per cent only, including 2 per cent Christians and Jains, Buddhists and Parsees. As regards recruitment to the Punjab Government Secretariat, as long as the candidate, who from his family record could be trusted with secret files, was available and was efficient, that was about all the Government looked for. Christian representation among the Engineers in the Irrigation Department was 11.1 per cent and among Deputy Collectors was 2.7 per cent. A general principle was followed by the Government in recruitment to Government posts and 50 per cent of the recruitment was given to Muslims and 50 per cent to non-Muslims. Of the latter 50 per cent was given to Sikhs and 33 per cent to others. The speaker pointed out how difficult it was to regulate the proportion of representatives of communities, described as "Others", but he assured them that the Government would make an endeavour to keep an allotment scheme in view when making new appointments.

The cut was withdrawn.

Mr. Jotiprasad moved a token cut to protest against the method of recruitment in the Irrigation Department, particularly against the circular issued in the Department to the effect that, during the retrenchment in the temporary establishment, Muslims should be spared because of the paucity of Muslims in the permanent establishment.

Captain *Sikandar Hayat Khan*, Revenue Member, said the Mahomedans were much less in proportion to others in the permanent establishment. Therefore, it was only just and fair that steps should be taken to safeguard their interests.

The Hindu members urged the Government to state the definite policy, which they were following in recruitment for posts and objected to efficient men being debarred from public services, due to their belonging to particular communities.

The Muslim members demanded that in view of the importance and largeness of their community as compared with other communities in the Punjab, more posts should in justice be held by Muslims. The cut was rejected without a division.

18th. MARCH:—That Financial Commissioners were remnants of the old bureaucratic form of government and these posts should be abolished were among the arguments put forward by the supporters of *Mr. Allah Dadkhan's* motion in the Council to-day urging a lakh of rupees cut in general administration demand.

Mr. Allah Dadkhan said that in 1906 there was only one Financial Commissioner but since the introduction of reforms, two posts of Financial Commissioners have been created. Government has ignored the recommendation of the Retrenchment Committee to abolish one post.

Mr. Corbett, Chief Secretary, said that there were three Financial Commissioners before reform and a third post had been abolished following the taking over of the Income-tax Department by the Government of India. The Punjab Retrenchment Committee had undoubtedly recommended the abolition of the post of one Financial

Commissioner, but Government who had more expert knowledge on the point, thought that abolition was not advisable. The elected members attacked Government for not touching the high salaried posts and giving untenable excuses for retaining them.

Mr. *Calvert*, Financial Commissioner, enumerated the various duties of the Financial Commissioner, including executive judicial and advisory.

Mr. *Nanakchand Pandit* said the post of Financial Commissioner was a remnant of the old bureaucratic form of government and was an obstacle in bringing about the reduction in the salaries of many high paid officers. For example, when they approached the President for a cut in his salary, he pointed out to the high salaries of ministers and when the ministers and executive councillors were approached they pointed out the officers working under them namely, the Financial Commissioners and others.

Mr. *Miles Irying*, second Financial Commissioner, said he could not understand why some members thought that one post of Financial Commissioner was superfluous. Did they see one of the Commissioners loitering about during office hours or sleeping in office? He had no doubt that they did waste two months of their every year sitting in the Council when they could have been touring about and doing useful work giving advice. But that wastage of time was not due to their fault.

Sir *Henry Craik* said this reduction of a few thousand rupees monthly was not real economy as the provincial revenue would lose much more by the abolition of this post rather than gain as the Financial Commissioners brought three-fifths of the revenue. The Punjab financial position was envied by almost all provinces and the financial position of the Punjab was due to a wonderful irrigation system which was designed by the Financial Commissioners.

The motion was rejected, 25 voting for and 42 against it.

CUT IN MINISTERS' SALARIES

23rd. MARCH :—A storm followed the use of a Persian couplet of the poet Sheikh Sadi, in the Council to-day, by a non-official member during the debate on a motion for a cut in the Ministers' salaries.

Mr. *Habibullah* moved a cut to reduce the Ministers' salaries (which after a ten per cent reduction stood at Rs. 4,500) to Rs. 3,000. He said that the cut was not for censuring the Ministers, but was merely intended as a measure of economy.

Several Moslem speakers supported the mover, criticising the Ministers' "easy office-hours", and pointing out the economic condition of the province.

Hindu members opposed the "cut" but suggested that the question should be handled in such a way that the Ministers might be induced voluntarily to reduce their salaries.

The Ministers did not participate in the debate, but Sir *Henry Craik* Finance Member, opposing the "cut", said that in the interest of good government, the Ministers' salaries should be sufficient to attract the best type of persons. It would be very regrettable if the Governor approached members to become Ministers and the offer was refused. The Ministers' salaries did not carry the privileges of Government service in the shape of leave, pensions, and provident fund, and the Minister had greater responsibility than most of the Government servants. Reduction motions had been brought three times in the Council, and such motions acted as a Damocles' sword over the Ministers' heads. The best course for the Council would be to reduce the salaries of the Ministers to be appointed in the future Councils.

The motion was rejected.

The Local Self-Government Minister, Dr. *Gokulchand Narang*, then rose to protest against the couplet used by Mr. *Ahmed Yar Khan Daultana*, which Dr. *Narang* said, meant that when the country was burning, the Ministers who had no sense of honour were rolling in luxury. This cast a reflection not only on the Ministers but on the Government Members and was an expression that nobody could use outside the House. He objected to the abuse of his privilege by a member.

The Minister for Education, Mr. *Feroze Khan Noon*, angrily pointed out that on a similar occasion previously, the President had forced a remark to be withdrawn, twenty-four hours after the debate was over.

After consultation with the Council Secretary, the President called upon Mr. *Daultana* to withdraw the remark.

Mr. *Daultana* refused to withdraw the remark, on the ground that the meaning of the couplet was not that which Dr. *Narang* assumed.

The *President* and other members, who claimed to have read Persian, said that the couplet was likely to be interpreted in an objectionable manner.

Mr. *Zafarullah* pointed out that the Secretary of State for India had used the term in the Commons, "Dogs bark, but the caravan passes on" and asked whether the couplet used by Mr. Daultana could not be allowed as parliamentary language, in the same manner.

The *President* however differed, and called upon Mr. Daultana to withdraw the couplet. Mr. Daultana, while disagreeing with the other meaning, withdrew the couplet.

24th. MARCH:—With the exception of three rupees which were cut from the land revenue, canal, water rates and Council secretariat demands, the whole of the Budget was passed to-day by guillotine. Demands for 'police and jails' were not reached. A censure motion by a token cut to protest against the policy of the Minister of Local Self-Government for appointing executive officers in municipalities failed.

Mr. *Mayadas* withdrew his resolution urging the withdrawal of the Education departments circular announcing that from next year a public examination would be held at the stage of Anglo-vernacular middle class, following an assurance of the Education Minister that the circular would not be enforced and he would submit the whole proposal for consideration by the Education Sub-Committee.

The Government next accepted Mr. *Mukandlal Puri's* resolution urging that those *Muxhabis* (untouchable) Sikhs who did not follow the profession of scavengers should not be made to clean latrines when in jail. The Council then adjourned *sine die*.

THE APRIL-MAY SESSION

PUNJAB MUNICIPAL AMENDMENT BILL

28th. APRIL:—The April-May session of the Council commenced at Lahore with the Punjab Municipal Amendment Bill sponsored by Hon. Dr. *Gokulchand Narang*, Minister for Local Self-Government. The Bill sought to increase Government control over municipalities in the Punjab through Government officials, including the deputy commissioners, commissioners and the Local Government Board, with a view to enquire into the affairs of committees for ascertaining whether municipalities were being satisfactorily administered and also with a view to suspending or prohibiting the doing of acts in excess of the powers conferred on them by law or contrary to the interests of the public or likely to cause waste or damage to municipal funds or property or likely to lead to a breach of the peace or to encourage lawlessness or cause injury or annoyance.

Dr. *Narang* presented to the House the report of the select committee on the Bill.

Some members raised objections, firstly, on the ground that the report as presented was not the one which they had signed; secondly, that it contained certain clauses which went beyond the scope of the bill; and thirdly, that it suggested the raising of taxation for the maintenance of an inspectorate for inspecting municipalities. After a lengthy discussion for over three hours the *President* upheld the objections and threw out the report.

The *President* also held that when the meetings of a select committee concluded the select committee became defunct; hence the bill could not be further proceeded with; the only course was to introduce a fresh bill.

On the motion of the Revenue Member, the House agreed to refer to a select committee a bill protecting certain wild animals.

MOLESTATION BILL

5th. MAY:—The non-official measure Picketing and Molestation Bill, which proposed to penalise all forms of picketing and loitering was thrown out in the Council to-day by the *President's* ruling. The author of the Bill, Mr. *Faiz Mohamad*, introduced the report of the select committee which was characterised as illegal by Mr. *Mohandal* who said that not only the Bill (report?) had not been signed by the committee members, but its contents were incorrect. Mr. *Salé*, legal remembrancer, who acted as secretary of the select committee, admitted that a blank paper whereon were obtained the signatures of the members of the committee had been attached to the report which was, however, quite correct.

The *President* ruled that the report was not properly signed. Therefore automatically the Bill was thrown out and a fresh Bill would have to be introduced.

REDUCTION OF CROPS DUES AND RAILWAY FREIGHT

6th. MAY:—Two resolutions were passed by the Council to-day. The first recommended to the Government that all dues for the *rabi* crops of this year throughout the province be reduced by 50 per cent., and the second resolution recommended to the Government that an urgent representation be made to the Government of India advocating the necessity for the reduction of railway freights on food grains generally, and that an immediate reduction be made in respect of the food grains carried to the ports of Calcutta and Karachi, in particular.

A gloomy picture of the economic condition of the agriculturists was painted by speaker after speaker, while discussing the first resolution. *Captain Sikandar Hayat Khan*, Revenue Member, admitted the plight of the zamindars owing to the drop in the prices of the produce but pointed out that the enormous remissions granted totalled so far four and a half crores. The Government had, also, reduced the expenditure and were in favour of further remissions. The retrenchment Committee had recommended a saving of Rs. 240 lakhs and the Government had already effected savings of two crores of rupees; and further savings had been stopped by the members themselves who urged the abandonment of that scheme of retrenchment for that. He opposed the resolution on the ground that it urged a uniform reduction of 50 per cent. and not a reduction according to the extent of the distress in particular areas. The resolution was carried by 41 against 24 votes,

PUNJAB MUNICIPAL AMEND. BILL

10th. MAY:—The Council referred to a select committee to-day the Municipal Amendment Bill which aimed at better municipal administration and a more judicious spending of the public money by municipal officers. It will be remembered that the bill was introduced in the Council last year and was thrown out by the President's ruling on April 28.

This morning *Dr. Gokulchand Narang*, Minister for Local Self-Government, introduced a fresh bill almost similar to that which emerged from the select committee and then moved for its reference to a select committee.

The Hindu party supported the measure, while the Unionist Nationalist party, consisting mostly of Muslims and almost entirely of rural members opposed the bill tooth and nail *inter alia* on the ground that the bill takes away the powers given to the people under the last reform.

Mr. Marsden, secretary for Local Self-Government, said that there was no doubt that municipal administration in the Punjab was a failure. The auditors had complained to the Government that their objections were not being attended to and therefore there was no use in conducting audit in municipal accounts. The Government was being pestered with complaints by the people in and outside the province about the non-payment of bills by the municipalities and other matters. Another terrible evil in the municipalities was the deliberate dishonesty of the municipalities and there had been regrettable increase recently of embezzlement of municipal funds by the municipal staff. He gave innumerable instances in support of his allegations. Both the motions of *Dr. Gokulchand Narang*, firstly for the introduction and secondly for reference to a select committee, were carried by an overwhelming majority. Thereafter the leader of the Unionist Party said that as his party was inadequately represented in the select committee the four members (out of 14) of his party would not serve on the committee.

The *President* said that the House had elected 14 members and they had all expressed their willingness to serve on the committee. Therefore the only course for them was to resign.

Dr. Gokulchand Narang said that it was highly disrespectful to the House that the four members of the committee after they had accepted office should refuse to serve. He however added that the remaining ten members were quite sufficient to carry on the work of the committee.

Earlier, the *President* characterised as a breach of privilege the action of certain members who had criticised in the press the ruling of the *President* on the report of the select committee on the Municipal Amendment Bill by which ruling the bill was thrown out.

The Council then adjourned *sine die*.

THE B. & O. LEGISLATIVE COUNCIL

LIST OF MEMBERS

President :—The Hon. Babu Nirsu Narayan Sinha

- | | |
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| 1. THE HON'BLE RAJA RAJENDRA NARAYAN BHANJA DEO | 41. BABU MAHESHWARI PRASHAD NARAYAN DEO. |
| 2. THE HON'BLE MR. J. T. WHITY | 42. BABU SHRINANDAN PRASHAD NARAYAN SINGH SHARMA |
| 3. THE HON'BLE SIR SAIYID MUHAMMAD FAKHR-UD-DIN, K.T., KHAN BAHADUR | 43. BABU SARDANANDA KUMAR. |
| 4. THE HON'BLE SIR GANESH DATTA SINGH | 44. BABU RAMASRAY PRASHAD CHAUDHURI. |
| 5. MR. P. C. TALLENTS | 45. BABU HAREKRISHNA CHAUDHURI. |
| 6. MR. W. B. BRETT | 46. BABU SRI NARAYAN MAHTA. |
| 7. MR. H. C. PRIOR | 47. BABU RAMESHWAR PRASAD SINGH. |
| 8. MR. G. E. OWEN | 48. MR. SAIYID MUHAMMAD ATHAR HUSSAIN. |
| 9. MR. B. K. GOKHALE | 49. KHAN BAHADUR SAIYID MUHAMMAD HUSSAIN. |
| 10. MR. A. C. DAVIES | 50. KHAN BAHADUR ABDUL WAHAB KHAN. |
| 11. MR. E. L. GLASS | 51. MR. SAIYID MOIN-UD-DIN MIRZA. |
| 12. MR. H. A. GUBBAY | 52. KHAN BAHADUR HAJI MUHAMMAD BUX CHAUDHURI. |
| 13. COL. L. COOK | 53. MAULAVI ABDUL AZIZ KHAN. |
| 14. MR. H. LAMBERT | 54. BABU KALYAN SINGH. |
| 15. MR. R. J. HIRST | 55. BABU KUNJA BIHARI CHANDRA. |
| 16. MR. G. S. HENDERSON | 56. RAI BAHADUR SATIS CHANDRA SINHA. |
| 17. DR. SIR SAIYID SULTAN AHMAD | 57. MR. NANDA KUMAR GHOSH. |
| 18. MR. P. PARJIA | 58. RAI BAHADUR SARAT CHANDRA RAY. |
| 19. LT.-COL. C. G. LEES | 59. RAI BAHADUR LAKSHMIDHAR MAHANTI |
| 20. MR. W. H. MEYRICK | 60. BABU GODAVARIS MISRA |
| 21. MR. J. A. MCKERROW | 61. RAI BAHADUR LOKNATH MISRA |
| 22. BABU MANINDRA NATH MUKHARJI | 62. BABU BRAJAMOHAN PANDA |
| 23. MR. A. E. D' SILVA | 63. BABU RADHARANJAN DAS |
| 24. REV. BRAJANANDA DAS | 64. BABU BIRABAR NARAYAN CHANDRA DHIR NARENDRA |
| 25. RAI BAHADUR KEDAR NATH | 65. BABU DEVENDRA NATH SAMANTA |
| 26. MR. R. CHANDRA | 66. BABU RAMJIWAN HIMAT SINGKA |
| 27. KHAN BAHADUR SHAH MUHAMMAD YAHYA | 67. BABU JAGANNATH DAS |
| 28. BABU BIMALA CHARAN SINGH | 68. BABU NIKUNJA KISHORE DAS |
| 29. BABU SWAYMBAR DAS | 69. BABU HARIHAR DAS |
| 30. BABU RAM NARAYAN | 70. BABU RADHA PRASAD SINHA |
| 31. RAI BAHADUR RAM RANVIJAYA SINGH | 71. BABU RUDRA PRATAP SINGH |
| 32. RAI BAHADUR HARENDRA NATH BANERJI | 72. RAI BAHADUR KRISHNADEVA NARAYAN MAHTHA |
| 33. BABU JOGENDRA CHANDRA MUKHARJI | 73. BABU BADRI NARAYAN SINGH |
| 34. MR. SAGRAM HEMAROME | 74. RAI BAHADUR LACHHMI PRASAD SINHA |
| 35. MR. GARBETT CAPTAIN MANKI | 75. MR. SAIYID MUHAMMAD MEHDI |
| 36. MAHANATH MANMOHAN DAS | 76. CHAUDHURI MUHAMMAD NAZIRUL HASAN |
| 37. BABU RAJANDHARI SINHA | 77. BABU SHIB CHANDRA SINGH |
| 38. MAULAVI SAIYID MUHAMMAD HAFEZ | |
| 39. RAI BAHADUR DALIP NARAYAN SINGH | |
| 40. BABU CHANDRESHVAR PRASHAD NARAYAN SINHA | |

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| <p>78.
79. BABU RAMANUGRAH NARAYAN SINGH
80. BABU BHAGWATI SARAN SINGH.
81. BABU SRIKRISHNA PRASHAD.
82. MAULAVI KHALILUR RAHMAN.
83. MAULAVI MUHAMMAD ABDUL GHANI.
84. MAULAVI SHAIKH MUHAMMAD SHAFI.
85. MR. SAIYID ABDUL AZIZ.
86. KHAN BAHADUR HABIBUR RAHMAN.
87. MAULAVI ABDUL WADOOD.
88. MAULAVI MUHAMMAD HASAN JAN
89. KHAN BAHADUR SAGHIR-UL HAQ
90. MAULAVI SHAIKH ABDUL JALIL.
91. BABU RAJESHVARI PRASHAD
92. BABU RAMESHWAR PRATAP SAHI.</p> | <p>93. BABU BISHUNDEO NARAYAN SINGH.
94. MR. SACHCHIDANANDA SINHA
95. RAI BAHADUR DWARKA NATH.
96. RAJA PRITHWI CHAND LALL CHOWDRY.
97. RAJA BAHADUR HARIHAR PRASHAD NARAYAN SINGH.
98. RAI BAHADUR SHYAMNANDAN SAHAY.
99. BABU LALITA PRASHAD CHAUDHURI.
100. BABU RADHA MOHAN SINHA.
101. BHAIYA RUDRA PRATAP DEO.
102. BABU SHYAM NARAYAN SINGH
103. MR. KAMALDHARI LALL.
104. BABU JOGENDRA MOHAN SINGHA.
105. RAI BAHADUR HALDHAR PRASAD SINGH.</p> |
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The B. & O. Legislative Council

The winter session of the Bihar and Orissa Legislative Council commenced at Patna on the 15th. FEBRUARY 1932. The President congratulated Sir James. Sifton on his appointment as the Governor of the Province and Mr. J. T. Whitty on his appointment as a member of His Excellency's Executive Council Members representing the Opposition and Muslims associated themselves with the President's observation.

Rai Bahadur Satis Chandra Sinha introduced a Bill to amend the Local Self-Government Act. He also moved for consideration of the Bill.

Mr. G. E. Owen moved an amendment, and the Bill was allowed to be circulated for eliciting public opinion.

16th. FEBRUARY:—Non-official legislative business was transacted in the Council to-day. Mr. Kalyan Singh's motion for reference of the *Chota-Nagpur Tenure-holders Rent Account Amendment Bill* to a select committee was rejected. The mover explained that the measure was designed to provide relief to part-owners of permanent tenures by having their accounts separately made up. The Government opposed the measure on the ground that it would affect landlords adversely and would be unworkable.

BUDGET FOR 1932-33

17th. FEBRUARY:—Introducing the Budget for 1932-33 in the Council to-day, the Hon. the *Raja of Kanika*, Finance Member said that last year he estimated the opening balance of the province for 1931-32 to be Rs. 90 lakhs, of which Rs. 41 lakhs would be ordinary balance. Actually, the opening balance was Rs. 81½ lakhs.

Regarding the prospects of the next year the Finance Member said that it had seemed best to assume that the general condition would be no better in 1932-33 than they were in 1931-32, but they would not be worse. The actual figure taken for the total revenue budget was just over Rs. 5 crores. After allowing a saving of Rs. 20 lakhs on account of the temporary "cut" in pay, and the effect of the retrenchments already put into force, it was found necessary to reduce the expenditure by Rs. 30 lakhs more, in order to balance the budget. As a result of the proposals of the Retrenchment Committee, savings to the extent of Rs. 25 lakhs in the budget estimates were indicated and the consequent Government orders thereon for a saving of Rs. 21 lakhs were embodied in the budget.

Apart from certain activities of the Medical and Public Health Departments, the declaration of war by the Congress rendered it essential to provide for the continuance of the temporary police forces and for the provision of quarters to the mounted military police force at Jamshedpur. The total cost of the new schemes amounted to about Rs. 2½ lakhs. There remained, therefore, a gap of Rs. 11½ lakhs to be bridged before the budget would be balanced. Rs. 5½ lakhs of this amount was found by further pruning the budget, by a ten per cent cut in the primary education grants and by a reduction by 1½ lakhs in the provision made for distributing among local bodies the proceeds of the motor tax, and by a further cut of one lakh of rupees in the Reserved Departments.

The budget had been balanced, and they had been able to introduce a surplus budget. It provided for Rs. 299 lakhs expenditure charged to revenue, and would give them a closing balance of Rs. 30 lakhs, which was just Rs. 2 lakhs better than the opening balance. There would be Rs. 26 lakhs for the famine relief fund, Rs. 3¼ lakhs for road subventions, and Rs. 62,000, ordinary balance. The revenue expenditure in Bihar and Orissa in 1929-30 and 1930-31 was just over Rs. 6 crores, while in 1932-33 it would be just under Rs. 5 crores, showing a reduction of Rs. 1 crore or one-sixth of the expenditure, which was no mean result, considering the poverty of the province.

THE MONGHYR (TARAPUR) FIRING

18th. FEBRUARY:—In the Council, today, replying to a short-notice question by Mr. Sachchidananda Sinha, Mr. M. G. Hellett, Chief Secretary, made the following statement regarding the recent riot in Monghyr district:—

"Detailed reports have now been received regarding the attack on the district magistrate and the police at Tarapur police station, in south Monghyr.

"Early on the morning of Feb. 15th the superintendent of police received information by a special messenger that a Congress procession would be taken out and a meeting held at Tarapur with the object of hoisting the Congress flag over the police station building. Notices had in fact been posted in several villages intimating that on Feb. 15 there would be an attack on Government buildings throughout the country and that on the same day the Congress flag would be hoisted on the thana buildings. The superintendent of police arranged for additional police to be sent to Tarapur and himself went there with the district magistrate.

"On their arrival there at about 1-30 p.m. they found all quiet, but they noticed in the *hat* which was held that day an unusual proportion of men in the prime of life, many of whom carried sticks and lathis. At about 3-45 p.m. the superintendent of police who was working in the dak bungalow heard a noise coming from the direction of the thana and he went there at once and found six volunteers carrying flags about to enter the thana compound supported by a large mob of about 4,000. He warned them to disperse, but they paid no attention, and as it was necessary to prevent their entering the thana compound he personally led a *lathi* charge and succeeded in pushing the mob back somewhat and arrested three volunteers.

"The mob immediately began to attack three sides with brickbats and lathis, several of the police party, including the superintendent of police, receiving injuries. They were forced back into the thana compound when they were joined by the district magistrate who had forced his way with some difficulty through the outskirts of the crowd to the thana. The mob was at this time only 12 yards from the thana building, but the district magistrate and the superintendent of police went forward at considerable personal risk to warn them to disperse. They were greeted with a shower of brickbats, one of which hit the magistrate on the right leg. He went back to the thana and made a further attempt to warn the crowd to disperse, but it was impossible for him to do anything owing to the intense volleys of brickbats which smashed the door of the building. Realising the seriousness of the situation, he then fired two rounds with his pistol, but this had no effect. Six rounds were then fired by the constables, but this also did not make the crowd withdraw. As the crowd was surrounding the thana, the magistrate undertook the defence of the southern side, while the superintendent defended the western and northern sides. Firing, which was personally controlled by the two officers, went on for about 10 minutes, 70 rounds altogether being fired. But it was not till some leaders had been killed that the crowd began to disperse. One of them was in fact shot when he was leading reinforcements from the *hat* ground, and another when trying to break down the compound wall.

"Immediately the crowd began to disperse, firing ceased, though the crowd still showed signs of reorganising. The magistrate and the superintendent of police again warned the crowd to disperse and drew attention to the fact that some of their number had already been killed and injured as a result of this attack. The crowd then slowly dispersed.

"An attack was also made on the servants of the magistrate in the dak bungalow, but the mob desisted from this attempt on one of the servants firing a gun.

"Both the officers then took steps to bring in the dead and wounded and despatched a car to fetch the nearest doctor. By 7 p.m. first aid had been rendered to all wounded persons and they were despatched with a doctor to Monghyr.

"The total casualties appear to be 8 dead and 5 injured. All those who were wounded were in the front rank and close to the thana. No boys have been injured. Two of those killed are reported to be prominent Congress workers of the locality. Reinforcements of police arrived later from Bhagalpur and the superintendent made arrangements for guarding the thana from further attack. In this he received assistance from the private secretary to Kumar Krishnanand Singh of Sultanganj, who also undertook to visit the villagers in his area to deter the villagers from taking part in such demonstrations.

"There is very little doubt that this attempt on the thana was concerted and organised beforehand, and it is fortunate that there was a sufficiently large police force present to resist the attack. The magistrate and the superintendent both showed great courage and restraint in a most dangerous situation and refrained from opening fire till it became absolutely necessary to save their lives and those of the men who were under their command, and controlled the firing effectively. They also made prompt arrangements for the wounded."

PATNA UNIVERSITY ACT. AMEND. BILL

Sir Mahomed Fakhruddin, Education Minister, then introduced a Bill to amend the Patna University Act and moved its reference to a select committee. In doing so he said that the objects of the Bill were in the main three, namely, to bring the Act up-to-date and into conformity with the present conditions, co-ordinate the work of the colleges of Patna and improve the constitution of the senate and the syndicate. When the Act was passed in 1917 the framers had in mind a university partly teaching and partly affiliating. But in fact the university had never been partly teaching and partly affiliating. It always had been an affiliating university and had left the business of teaching to colleges. Consequently, people of all shades of thought had long realised that either the University should be made partly teaching and partly affiliating or the Act should be brought in line with things as they were. Experience elsewhere had shown that the experiment of the mixed type of university, partly teaching and partly affiliating, was a failure. Realising this and other difficulties the University sent forward the present Bill which he had placed before the Council.

Sir Sultan Ahmed, formerly vice-chancellor of the University, who was specially nominated as an expert member, maintained that the Bill did not intend to do away with the provisions of post-graduate teaching by the university. The present Bill was decidedly an improvement and as such they should support it. There was the difficulty of finance regarding the proposal of a teaching university. If public opinion would demand it and there would be sufficient funds, let them by all means have a teaching university, but the present was not the time for it.

Mr. Sri Krishna Prasad said that by accepting the Bill they would be discarding the ideal of a teaching university for the sake of a few more seats for non-officials as proposed in this Bill. He appealed to the Minister to bring forward another comprehensive Bill which would be acceptable to the people and in conformity with the national ideal.

Mr. Fawcus, director of public instruction, replying to the criticism of the members pointed out that the mixed type of university as urged was a failure and the separation of arrangements for teaching of the post-graduate and graduate students would result in a very large expense. Besides the external colleges were emphatically opposed to any scheme involving differential treatment between external and internal colleges.

The motion for reference of the Bill to a select committee was then adopted without division.

DEMAND FOR REDUCTION IN CANAL RATES

22nd. FEBRUARY:—Reduction of the canal rates was the subject-matter of an important resolution discussed in the Council to-day.

Mr. *Rajandhari Sinha*, the mover, urged that the rates levied on the Sone canal be restored to the level which obtained before the last enhancement. His ground was that the cultivators were hard hit by the economic depression due to the fall in the prices of food grains and the Punjab and the United Provinces Governments had announced remissions in this direction.

Messrs. *Abdul Ghani* and *Godawari's Misra* moved amendments to include the Tirbeni and Orissa canals in the scope of the resolution. The other non-official members also joined in pleading the interests of the tenantry and asking for relief.

The *Raja of Kanika*, on behalf of the Government, opposed the resolution and pointed out that the cultivators in the canal area were much better off than the general run of tenants. The proposal would result in the loss of revenue to Government to the extent of about eight lakhs which they could ill-afford to lose in the present financial position of the province.

On a division being called the resolution was carried by 43 votes to 28.

O THER RESOLUTIONS

A resolution demanding multiplication of the agricultural demonstration farms was withdrawn. In reply, the Government accepted the policy on increase of demonstration farms, but that owing to the financial stringency the policy could not be pushed forward.

Another resolution for allowing the Paharis of Rajmahal, Santal Parganas, to cultivate and sell Sabai grass without restriction was negatived.

CRIMINAL COURT JUDGMENTS

Rai Bahadur Lachmi Prasad's resolution, asking the Government to take the necessary steps to stop the practice obtaining in criminal courts of delivering judgment on the last working day before long holidays so as not to deny the accused the right of moving bail petitions before the next higher authority without the least possible delay, was carried by 43 votes to 26. This was the second non-official victory. The Government, opposing the resolution, pointed out that they could not issue an executive order asking the magistrates not to deliver judgment on the days the courts were open. This would not be a proper thing to do.

CIVIL COURTS' VACATION

Maulvi Khalilur Rahman's resolution for closing the mofussil civil courts in summer for long vacation in conformity with the High Court vacation was rejected.

RENT AND REVENUE REMISSION

Mr. *Godawari's Misra* moved a resolution urging the remission for the current year of 25 per cent. rent and revenue in view of the present economic situation. The mover said the tenants of Orissa were suffering acutely owing to economic depression and were unable to pay the full quota of rent. Their existing economic position called for relief.

Rai Bahadur Lakshmi Dhar Mahanti moved an amendment excluding the permanently settled estates from the scope of the resolution. He said when only recently rent and revenue were enhanced by 25 per cent. as a result of fresh settlement, remission to the same extent for the year could not much affect the Government.

The Hon. Mr. *Whitty*, on behalf of the Government, opposing the resolution, said they have had good crops on the whole during the last few years in all parts of the province and there was no distress in the sense in which the word was used 32 years ago. What they have had to face now was really the scarcity of money. People who have had good crops and more than enough to eat have had the difficulty of selling the surplus so that they could buy other necessities of life and pay their rent and revenue. The proposal to reduce rent and revenue by 25 per cent. meant that the income of the Government was to be reduced by this amount and this could only be done if the provincial budget was balanced by reducing the

expenditure; to this amount or by increasing taxation. There was hardly any scope for this drastic reduction in the budget when, due to financial stringency, the administration was being carried on with the greatest difficulty with the present expenditure and any attempt to impose fresh taxation in order to give relief to landowners, who have had good and prosperous time in the past, would be highly resented. The Government were not unsympathetic and they knew very well that a sudden change of this nature was always difficult to meet, however great the prosperity which had produced it. Definite orders have been issued to the collectors to take into account the economic conditions in dealing with defaults and this was being done and particular cases of hardship were dealt with generously.

On division the resolution was rejected.

OTHER NON-OFFICIAL RESOLUTIONS

24th. FEBRUARY—: *Rai Bahadur Lachhmi Prasad Singh* moved a resolution to-dayturing the appointment of a committee to inquire into and report on the causes of unemployment among educated young men in the Province and to suggest remedial measures.

The Government spokesman pointed out that no useful purpose would be served by the appointment of a committee as it was a question of money, and the difficulties were augmented by the financial stringency and economic depression.

The resolution was then withdrawn.

The Council then discussed four more resolutions moved by *Mr. Khalilur Rahman*: (1) regarding the abolition of the system of recruitment of inspectors and sub-inspectors of police for conducting prosecutions before lower criminal courts, and the employment of lawyers for the purpose, (2) the revision of the existing road cess assessment on the basis of the present prices of food grains, (3) changing the nomenclature of deputy and sub-deputy magistrates into assistant magistrates and assistant collectors, and that of subordinate judges and munsiffs into assistant judges, and (4) the recruitment of 25 per cent. of the total strength of subordinate judges direct from the bar.

Mr. Sachchidananda Sinha and other non-official members supported these resolutions. The Government opposed them, pointing out the practical difficulties in the way of giving effect to such proposals. The resolutions were either withdrawn or rejected without a division.

GOVT. POLICY TOWARDS CONGRESS

7th. MARCH :—Voting on Budget grants which commenced to-day gave occasion to discuss the Government's policy towards the Civil Disobedience Movement. The debate was raised by *Mr. Srikrishna Prashad* who moved a token cut in the provision for the Executive Council to discuss the methods adopted by the reserved side of the Government in dealing with the Congress movement with special reference to the police activities. Though he recognized that desperate actions and circumstances called for desperate measures and the situation in Bengal and the United Provinces might have necessitated strong measures, he thought the promulgation of all-India Ordinances was hardly justified. In Bihar, particularly, he said things were quiet and the Government had not explained what Congress activities here necessitated the application of Ordinances. It was a mistaken policy to use force and resort so frequently to lathi charges by the police. If the Government wanted peace and to create respect for law and order, as they all wanted, the activities of the subordinate officers of the Government must be such as to create confidence in the public mind. He criticised the levy of additional police tax in several villages in Tarapur police station and asked why non-Congressmen in these villages who had not defied the law should be taxed. The Government should be able to differentiate between the guilty and the innocent.

Explaining the Government policy in dealing with the civil disobedience movement and the application of Ordinances, *Mr. Whitty* said the administration of Ordinances in the province had not interfered in any way with the every day life of law-abiding citizens and he was convinced that the great majority of people were delighted that Congress tyranny was past. Powers under the Ordinances were used with the greatest moderation and restraint and there was not a single instance of abuse. They had been effective and almost the whole province was very quiet and peaceful, more so than it had been for a good long time past. Every member of the Government deplored as much as any other member the lament-

able loss of life which had taken place at Motihari, Tarapur, Monghyr district, and Sheohar, Muzaffarpur district but he believed not one step was taken at these places, not one shot was fired which could have been avoided and for every action of the Government and the police the foolish and wicked policy of the Congress was responsible. They could well realise the position, a tiny armed police force consisting of 20 to 30 men surrounded by an excited mob showering brickbats, clods and stones and once the mob got to that stage, any moment it might get completely out of control, rush the police and beat them to death and burn down the police station. Faced with such difficult situations the magistrates in charge and the police had acted with restraint, courage and at great personal risk and also the forces under them.

Regarding the employment of additional police, it was based on the principle that if people by their own misconduct rendered additional police necessary to secure law and order, they should be made to pay for them and they only employed the smallest number possible for shortest possible period. This principle was carried out in a reasonable way. Under these circumstances, if they condemned the Government and the police action, they would be doing a grave injustice which would make good government more difficult and tie their own hands most grievously when the province got autonomy in near future.

Mr. *Sachchidananda Sinha*, leader of the Opposition, said, at this stage, that no useful purpose, it seemed to him, could be served by discussing the justification or otherwise of the Ordinances. He asked the Government to have the allegation of police excesses made by the non-officials fully investigated and satisfy those who had doubts. Though the Government possessed a giant's strength, he hoped they would not use it like a giant.

Messrs. *Rajandhari Sinha* and *Dwarkanath* joined with the previous speaker in demanding a full inquiry by the higher authorities into the allegations made.

Mr. *Whitty* replied it was not easy for the Government to make inquiries regarding vague allegations. He would be perfectly willing to satisfy the non-official members, but complaints, in the first instance, should be made to the local officers and if they were not satisfied, they should approach the higher authorities.

On a division, the motion of token cut was rejected by 31 votes to 17, 14 members keeping neutral.

8th. MARCH:—A token cut motion urging the appointment of more natives of the province as managers of court of wards in general and of the British court of wards in particular was carried.

There was a tie on the motion regarding the Shahadabad dead body case, the mover asserting that the Government acted in supersession of judicial findings by accepting the opinions of the Inspector-General of Police that no blame attached to the police officers.

The Chief Secretary, replying, maintained that the charge against the Government was incorrect.

The motion was rejected by the casting vote of the President who, according to convention, voted for the *status quo*.

The House then voted the whole demand under the "General Administration" minus one rupee.

9th. MARCH:—A demand was made to-day for the adequate representation of Bihari Hindus in appointments as Government Pleaders, Public Prosecutors and District and Sessions Judges. Mr. *Sri Krishna Prasad* sponsored the demand under a token "cut" in the grant for "Administration of Justice", and pointed out that the representation was only 3 out of 26 in the former appointments and only one out of 10 in the latter appointments. Other members supported him.

The Government opposed the motion stating that the policy had been to select the best available men. Due regard was being paid to the representation of different communities consistent with the principle of efficiency of the public services. The motion was withdrawn.

Another demand was made by Mr. *Shyamnandan Sahay* for the separation of Judicial and Executive functions.

The Government replied that the best course was to leave the decision on the question to the future Government. The motion was withdrawn.

The Council then voted the demand under Administration of Justice.

CLASSIFICATION OF PRISONERS

Mr. *Sri Krishna Prashad* next raised the question of classification of political prisoners under a token cut in the Jail demand. He pleaded for revision of classification of prisoners. The motion was continued on the next day, the 10th. MARCH, when the mover urged that the prisoners who during the last civil disobedience movement were placed either in 'A' or 'B' class should now be similarly classed. He numerated cases in which prisoners classed 'A' during the last civil disobedience movement on re-conviction this time were classed 'B' and those who were formerly classed 'B' were now being classed 'C'. He hoped that this state of affairs would be remedied.

Mr. *Sachchidananda Sinha* and Mr. *Rajandhari Sinha* supporting the motion stressed that the jail rules in the matter of classification should be strictly adhered to.

Mr. *Bimala Charan Singh* opposed the motion and asked why those who infringing the law should seek its protection.

Rai Bahadur *Dwarkanath* suggested the appointment of district committees pre-vised over by the district judges to help the Government in the classification of political prisoners.

Mr. *A. C. Davies*, Judicial Secretary, replied that the cases of classification of political prisoners were carefully examined by the Government according to the rules laid down. During the last civil disobedience movement the rules were newly framed and now the classification was being more scientifically worked out than in its first year of working. It was open to the 'C' class prisoners to appeal to the Government against their classification and in the absence of such an appeal to the Government there was no alternative for the Government to proceed in the matter. The appointment of district committees would not be feasible.

The motion was rejected by 37 votes to 35.

The Council then voted the whole demand under jails and convict settlements.

POSTING OF ADDITIONAL POLICE

Mr. *Srikrishna Prasad* raised another debate to discuss the posting of the additional police force in Barbigba and Tarapur, Monghyr district, at the cost of the inhabitants of those areas. He contended that the requirements to be fulfilled for quartering additional police under the Police Act were absent in both these cases. The Government had not established that these areas were in a disturbed and dangerous state. He asked why the whole population of these villages was being taxed for the misdeeds of a few persons. It would mean a great hardship to the poor people of those areas.

Khan Bahadur *Wahab Khan* said that it was not the fault of the Government that the additional police was quartered in those areas, but it was the fault of those who were out to break the law and disturb peace. He knew from personal experience that the people of these areas were a turbulent nature.

Mr. *Rameshwar Prasad Singh* Mr. *Gogendra Mohan Sinha* and Rai Bahadur *Dwarka Nath* supported the motion.

Mr. *Bimala Charan Singh* and Rai Bahadur *Harendranath Banerjee* opposed the motion.

The hon. Mr. *J. T. Whitty*, replying on behalf of the Government, said that nobody would object to the general principle on which the appointment of additional police was based. In areas where serious disturbances occurred additional police was appointed at the cost of the inhabitants of those areas in order to secure peace and order. He explained how conditions in those areas and the conduct of their inhabitants rendered the appointment of additional police necessary. It was not intended as a punishment but the sole object was to secure peace. The levy was based on property qualification and therefore the incidence would not be large on the poor people.

11th. MARCH :—Resuming the debate to-day, Mr. *Sachchidananda Sinha*, leader to the Opposition, said that his sympathy was entirely with the

Government in this matter. He had no sympathy with those who created trouble by engaging themselves in subversive activities either in the name of Swaraj or independence. He had carefully read the history of his country and he could say that all such movements served as an impediment in the way of constitutional progress and the attainment of responsible self-government. It was no argument that because some innocent people would be taxed, Government should not appoint additional police. If that view were to prevail Government could not appoint additional police under any circumstances. During the Shahabad riots of 1917, his friend Mr. Justice Jwala Prasad, judge, Patna High Court had also to pay a substantial sum for additional police. He, however, asked the Government to consider the matter carefully at the earliest opportunity before six months and do their best to relieve the hardship of the people in those areas.

Khan Bahadur Saghir-ul-Haq said that in matters relating to law and order there should be no place for sentiment. The spirit of lawlessness must be checked at any cost, and if this spirit was not checked, it would be difficult to work the new constitution smoothly.

Mr. S. M. Hafee stated that he had no sympathy with law-breakers. But he would ask the Government to exercise their extraordinary powers with extreme caution and see that those who were innocent should not suffer.

Rai Bahadur Shyam Nandan Sahay suggested that the number of the additional police force be reduced and also the period of its appointment.

The hon. Mr. Whitty, winding up the discussion, reiterated the general policy of the Government in the matter of appointment of additional police, and said that this policy had found support with many members. It was admitted that there were serious disturbances and lawlessness in those areas necessitating the appointment of additional police with a view to securing law and order and peace. He would be prepared to examine carefully the question after the expiry of the period of six months.

The token cut motion was withdrawn and the Council voted the demands for the police, the scientific department and education, (reserved).

INADEQUACY OF PRIMARY EDUCATION

Rai Bahadur Lakshmidhar Mahanti then moved a token cut in the provision for grants to local bodies for primary education. He complained of the inadequacy of grants and other members joined with him in accusing the Government in not taking measures to introduce free and compulsory primary education for the training of the electorate in rural areas and protesting against the ten per cent. cut in primary education grants as a measure of retrenchment.

11th. MARCH:—The discussion was continued to-day when Mr. B. K. Gokhale, Education Secretary, explaining the measure adopted to further the progress of primary education stated that primary education had had a fair share of the funds and the expenditure on it was in the vicinity of Rs. 60,00,000. They had provided education to 40 per cent. boys of the school-going age. They all desired to attain the goal of free and compulsory primary education but due to the present state of the provincial finances and the inelastic sources of revenue the cost would be prohibitive. Introduction of free and compulsory education would cost three crores of recurring besides a vast amount of non-recurring expenditure. The Government regretted the 10 per cent. cut in the primary education grant but it was inevitable for the purpose of balancing the budget.

Khan Bahadur Saghir-ul-haq opposed the motion and urged that the Government should take over the direct control of primary education from the local bodies as he considered the present system of primary education objectionable and productive of class hatred. Instead of being a nation-building agency it was going to be a nation-ruining agency.

Rai Bahadur Dwarakanath considered literacy to be the cure for all the present evils and the universal rudimentary education was the best foundation for making the electorate politically conscious.

Sir Fakhruddin, Minister of Education, assured the Council that he had always tried to secure larger funds for primary education and he also subscribed to the principle of free and compulsory education, but the present financial outlook was a serious obstacle in their way.

The token cut motion was pressed to a division and carried by 34 votes to 28. Other cut motions were under discussion when the Council adjourned.

15th. MARCH—The Council voted to-day the demand for education less rupees one and the whole demand for civil works, transferred and reserved, and miscellaneous departments.

HEAVY ESTABLISHMENT OF P. W. D.

Rai Bahadur Shyamnandan Sahay moved a token cut in civil works and called attention to what might be characterised as the heavy cost of establishment of the Public Works Department and urged the desirability of building residential houses for which rents were to be realised on business lines by floating loans for the purpose.

Several non-official members including *Mr. Sachchidananda Sinha*, *Mr. Srikrishna Prasad* and *Rai Bahadur Lachmi Prasad Sinha* criticised the expenditure on the Public Works Department, particularly establishment charges, and urged that the province was bordering on bankruptcy and could not afford the present scale of expenditure.

Sir Ganesh Dutta Singh, Minister, and *Mr. Gubbay*, chief-engineer, replying stated that the establishment charges had been appreciably reduced and that there was hardly any scope for further retrenchment. The recommendations of the Retrenchment Committee relating to the department were carefully examined by them in all their aspects. It was a doubtful proposition if it would pay the Government to float loans for building purposes, and when there was no provision in the budget for original works a discussion on the question would only be academic. The motion was withdrawn.

Mr. Rameshwar Prasad Singh under a token cut protested against the reduction by one-half of the provision made for distribution to local bodies out of the proceeds from the motor tax.

Mr. Owen, secretary to Local Self-Government department, explained that the cut was a temporary one to meet an unforeseen financial emergency. He assured the Council that it was the desire of the Government that local bodies should receive full benefit out of these proceeds.

The motion was rejected by 34 votes to 29.

ABOLITION OF FISHERIES DEPT.

Mr. Rameshwar Prasad Singh's motion for the abolition of the fisheries department was under discussion when the Council adjourned.

16th. MARCH—In opposing the abolition of the Fisheries department to-day, *Mr. B. K. Gokhale*, Education Secretary, said that the Industry supported 105,000 people in the province. While other provinces were spending much more on it, Bihar was spending over Rs. 10,000. The department was now distributing 4½ lakhs of fry which resulted in increased profit to those engaged in the industry. The underlying idea of the department was not to make a profit but to undertake propaganda and scientific investigation of fish culture.

The motion for the omission of money for the department was ultimately rejected without a division.

Mr. Sri Krishna Prasad raised a debate under a token cut on the policy underlying the working of the department of Industries and its detailed programme. Firstly, he urged the need for undertaking a comprehensive survey of the industries of the province so as to explore the possibilities of their development. Secondly, he stressed the need of organising industrial finance by establishing an industrial Bank in the province. Thirdly, he stressed the need for formulating a definite programme for 10 or 15 years for the industrial development of the province.

Mr. Gokhale, Education Secretary, pointed out that an industrial survey might be a costly affair costing 1½ lakhs of rupees. The Government had done all that was possible towards the industrial development of the province with the limited financial resources at their disposal. He added that without a central co-ordinating organisation like the Imperial Agricultural Council it was not possible to tackle bigger industrial problems effectively.

The motion was withdrawn.

Mr. *Khalilur Rahman* raised the question under a token cut of the emoluments of the Director of Industries and pointed out that his salary was out of proportion of the work done by him.

Maulvi *Abdul Ghani* said that when other provinces with much larger revenues were paying their Directors of Industries much less, they were paying a much higher salary.

Mr. *Sachchidananda Sinha* suggested that when the contract with the present incumbent expired, the Government should cut down the salary for the post by at least half in view of the present financial stringency.

The Education Secretary, Mr. *Gokhale*, and Sir *Fakhruddin*, Minister in charge, replied that they were paying the present incumbent less than the sanctioned salary and if they really wanted a good man they would have to pay a reasonably decent salary. They assured the Council that in April next year when the contract terminated with the present incumbent Government would carefully consider the question of salary for this office.

The motion was withdrawn.

The Council then voted the whole demand under Industries.

Rai Bahadur *Lachhmi Prasad Sinha*, under a token cut, discussed the working of the Cooperative department. He criticised the present policy of the wholesale liquidation of co-operative societies and suggested the abolition of the federation office and establishment on the ground that it was serving no useful purpose.

Mr. *Gokhale*, Education Secretary, replied that they were awaiting the report of the Cooperative Inquiry Committee and they would carefully consider the suggestions made by the member along with the recommendations of the committee.

The motion was withdrawn.

17th. MARCH:—The Government carried through all their budget demands in the Council to-day, which being the last day for the voting of budget demands the guillotine was applied after five and many demands were voted without discussion.

Rai Bahadur *Lachhmi Prasad Sinha* raised the question of amalgamation of the departments of public health, inspector-general of civil hospitals and inspector-general of prisons in the interests of economy.

The Government replying stated that the activities of the medical and public health departments had considerably increased and it was not possible to amalgamate them. As regards the suggestion to amalgamate the jail department either with the medical or public health department it would be carefully examined by the Government.

The Minister pointed out that jail being a reserved department he could anticipate what decision the Government would take on the suggestion. The policy of the Irrigation department was also criticised by non-official members, including Messrs. *Shyamnandan Sahay*, *Dwarkanath*, *Hare Krishna Chaudhuri* and *Sri Krishna Prasad* who complained that many useful irrigation schemes were not being given effect to by the department.

The Government replied that the schemes were expensive and they could not utilise the general revenues of the province for the improvement of land under permanent settlement.

The Council carried a token cut of Rs. 10 by 28 votes to 26 in the irrigation demand.

Rao Bahadur *Lachhmi Prasad Sinha* urged the desirability of filling the post of inspector-general of stamps and registration and excise commissioner from the provincial civil service.

The Minister of Excise objected to the proposal on the ground that it was not in the interest of excise department and excise being the chief source of revenue of the province, they could not fill the post of excise commissioner from the provincial service.

All token cut motions were withdrawn or rejected after discussion.

THE PATNA UNIVERSITY AMEND. BILL

18th. MARCH:—At to-day's meeting of the Council the hon. Sir *Fakhruddin*, Minister of Education, moved that the Patna University Amendment Bill as reported by the select committee be taken into consideration. He explained that the object of the Bill was to bring the Act in conformity with the existing con-

ditions, to improve the constitution of the Senate and the Syndicate and to co-ordinate the work of the colleges at Patna.

Mr. Sri Krishna Prashad moved an amendment to omit clause 2 from the Bill. He contended that the character of the University as contemplated in the original Act of 1917 and based on the Nathan Committee Report should not be altered. The original Act contemplated a partly affiliating and partly teaching type of university and by the present Bill it was intended to do away with the teaching part. The University buildings and equipment had already been completed, he added, and what was required was to transfer the control of the teaching of internal colleges to the University and also transfer funds to it. Therefore, there was no difficulty at all in establishing a teaching university by changing the character of the university.

Sir Sultan Ahmad, formerly Vice-chancellor of the Patna University, speaking said that he was also in favour of the ideal of a teaching university and he fought for it for ten years and he still stood by that view. But they should not be carried away by theories and dogmas. The mere alteration of a few words would not change the character of the system of higher education in the province. The conditions for which the original Act was brought into operation did not exist at present and therefore the Bill was designed to bring it into conformity with the present-day conditions. The deletion of the clause as proposed in the Bill would not be a bar to the establishment of a teaching university in future when public opinion asserted itself in its favour.

Mr. S. M. Hafeez said that though he was not fully satisfied with the bill he welcomed it as introducing what he called even little reforms.

Mr. S. Sinha adhering to the ideal of a teaching university asked that even by the retention of the original clause regarding a teaching university, what guarantee there was that a teaching university would be established in the near future. In all civilized countries universities were organised not only by Government support but also by public support.

Rai Bahadur Dwarkanath said that the deletion of the original clause would give the impression that for long time to come they were going to abandon the idea of a teaching university. Let the Government omit from the statute anything they liked but the ideal of a teaching university could not be blotted out from the recesses of their hearts and minds. The discussion was not concluded when the Council adjourned.

The Council also voted several supplementary demands including Rs. 2,700 for the survey of the Patna city municipality.

GOVERNOR'S FAREWELL SPEECH

After this H. E. Sir Hugh Stephenson, the Governor, delivered a speech bidding farewell to the Council. In the course of his speech H. E. said that for more than 26 years he had served India with the best that was in him and in return he received a rich reward in the fullness of the life India offered him, in the opportunities for work that was really worth while and, above all in the friendship of its people. Referring to retrenchment in provincial expenditure to the extent of a crore, His Excellency added that they had not been able during the last five years to take great strides forward, but an autonomous province of the future would be grateful to them that they had sacrificed their selves on the altar of solvency and had refrained from mortgaging their finances. They all regretted the suffering that the civil disobedience movement and the action they had found it necessary to take to defeat it had entailed and they fervently hoped the province would quickly return to that peace which was essential to enable it to face with courage the difficulties of the future.

Concluding, His Excellency said: "If our partnership of 5 years confers any privilege on me to give a word of advice, it is that we should cast aside the slogans and political cries that belong to a past, manfully face the facts and difficulties before us and think out for ourselves the solutions that are in the best interest of the country as a whole. My good wishes always will be with Bihar and Orissa whatever the future may hold and I am very sorry I have come to the parting of our ways."

The Burma Legislative Council

GOVERNOR ON BURMA'S FUTURE

The Budget Session of the Burma Legislative Council was opened by H. E. 'Sir Charles Innes, the Governor at Rangoon on the 11th. FEBRUARY 1932. In opening the session His Excellency explained the full import of the Premier's "historic" announcement at the termination of the Burma Round Table Conference in all its bearings, and said that the announcement cleared the air, making plain the choice that lay before the people of Burma, of either Federation or Separation.

While detailing the over-mastering conditions behind the urge towards a Federation of the Indian provinces and States, His Excellency pointed out that such considerations hardly touched Burma and referred particularly to the difference between Burman and Indian national feeling and geographical factors. His Excellency added: "It is quite a legitimate view that, taking all things into account it would be wiser for Burma to continue to pull her resources with those of India and to enter the Indian Federation. But, it would mean surrender for an indefinite period, of Burma's aspirations to work out her own destiny as a nation and be mistress in her own house. It would mean also that Burma would remain a part of India, and the interests of the part, where they differ, must necessarily give way to the interest of the whole. There are also the obvious implications of the stubborn fact that the population of Burma is only 14 millions, while that of India is nearly 340 millions. On the other hand, if only she will grasp the opportunity the prospect is opening up before India of being welded into a great powerful Federation controlling, under the British Crown, the destiny of one-fifth of the human race; and some Burmans may reasonably think, that it would be wiser for Burma to avoid the wrench and dislocation of separation and safer for her, as she is, to be content with a place in the Indian Federation."

His Excellency continued: "The only point I wish to make is that the issues ought to be carefully thought out and squarely faced. There must be no thought of using India merely as a political convenience. There is no place in the Indian Federation, except for loyal members, content that the member's common interest should be managed in the interests of the whole, and ready and willing to contribute loyally and faithfully to the strength and well-being of the Federation. If Burma wants to separate from India, now is her opportunity. If not, let her throw in her lot with India whole-heartedly and without any *arrière pensee* and let her play her part as a loyal member of the Federation."

His Excellency expressed the desirability of an early settlement of the preliminary issue of Separation or Federation by a general election, regarding which he would announce his decision soon after consulting the party leaders and other interests.

His Excellency compared and contrasted the present and proposed Constitutions, stressing that of 95 subjects 91 will be transferred, subject to certain safeguards, as opposed to 22 provincial subjects at present administered by the Ministers.

Regarding Safeguards, His Excellency observed that the true parallel was between India and Burma, and a comparative study of the Premier's announcements, both at the close of the India Conference and Burma Conference, would disclose a similarity in their application to both the countries.

His Excellency gave an account of the progress made in the suppression of the rebellion, complimenting the troops among others, but warned the House of the possibility of the attainment of happy results and normality only upon their success in suppressing the terrible out-breaks of violent crime to which the rebellion gave rise.

As regards the financial situation His Excellency outlined the financial stringency of the province by contrasting the present budget figures with the previous ones and by quoting the figures of receipts and expenditure, there being a heavy fall in the former, and an increase in the latter, due partly to the rebellion. His Excellency pointed out that world economic conditions should not be lost sight of. Burma had to borrow 218 lakhs to balance last year's budget, and was not able to tide over the financial situation to repay the loan, despite the reduction in the ordinary expenditure of 240 lakhs and 164 lakhs, compared with the figures of 1928-1929 and

1930-31 respectively. The Governor emphasised the importance of balancing the budget in the event of Burma separating from India, for the purpose of creating confidence in the world markets, enabling borrowing at a reasonable rate of interest.

Concluding, His Excellency said: "Remember, His Majesty's Government is building, not for the present, but for the future" and added: "This is the turning point in the history of Burma, and it is for you to see that her feet are firmly set on the safe and certain road that leads towards the goal, and that she is not led astray into the wilderness. What is needed now, is co-operation. Especially, will it be necessary if the decision is to separate from India. There are points of controversy in the new Constitution between different parties and different sections of the communities. Get together, and try to settle them by consent."

PRESENTATION OF BUDGET

After His Excellency's speech, Mr. *Thomas Couper*, Finance Member, presented the Provincial Budget and said that the year 1930-31, he had hoped, would end with a surplus balance of Rs. 33 lakhs. The decision to postpone the collection of land revenue invalidated that estimate. Only a sum of Rs. 80 lakhs out of the normal main crop revenue of some Rs. 400 lakhs was got in by the 31st March 1931, and the year closed with a deficit of Rs. 218 lakhs, which was borrowed from the Provincial Loans Fund of the Central Government. The year 1931-32 therefore opened with nothing in the provincial treasury. There was a large shrinkage of revenue in 1931-32 as the fall in the price of agricultural produce, fiber and other commodities had a disastrous reaction on the provincial revenues, the chief items in shrinkage being under Forest Rs. 39 lakhs, Capitation and Thathameda taxes Rs. 27 lakhs, ordinary land revenue Rs. 22 lakhs, Excise 32 lakhs, Fishery 15 lakhs, and Civil Works 14 lakhs. The probable expenditure in the same year being revised, there were large savings under certain heads, such as 51 lakhs under civil works, 11 lakhs under Commuted pensions, 8 lakhs "cut" in pay; but the increase of Rs. 54 lakhs under Loans and Advances, 25 lakhs under Police, and 9 lakhs under Famine Relief, left only 15 lakhs below the original estimate.

The budget estimate for the year 1932-33 were summarised as follows: Ordinary revenue Rs. 900 lakhs, repayment of the Local Government's loans Rs. 24 lakhs, Miscellaneous Receipts Rs. 23 lakhs, and the loan taken from the Central Government's Provincial Loans Fund Rs. 36 lakhs, making the total receipts 983 lakhs. The ordinary expenditure of Rs. 913 lakhs, with other payments and expenditures, totalled Rs. 978 lakhs, thus leaving a very small closing balance of Rs. 5 lakhs. The most drastic measures of economy and retrenchment had been made in order to reduce expenditure, the net result of retrenchment being a saving of Rs. 152 lakhs. As the ordinary revenue was not sufficient to meet the ordinary expenditure, much less finance expenditure of a capital nature, it was proposed to borrow Rs. 36 lakhs in 1932-33 for irrigation works, pension commutations and other purposes. The borrowings in 1930-31, including Rs. 218 lakhs taken on the 31st March 1931, totalled Rs. 273 lakhs and with the loans taken in the earlier years and still outstanding, the total indebtedness of the province on March 1933 would be Rs. 581 lakhs.

Regarding the province's financial position, the Finance Member said that it was unsatisfactory. The fall of $1\frac{1}{2}$ crores in revenue must be expected to last so long as the fall in the price-level of agricultural commodities continued. There had been great reductions in non-recurring expenditure from Rs. 60 to 8 lakhs and on capital expenditure from Rs. 50 to $5\frac{1}{2}$ lakhs, but the departments in future had to contemplate two crores annually less for routine expenditure. The revenue deficit required immediate correction. Borrowing was not regarded as feasible, and as additional resources were needed, the only way was by new taxation. The direct cost of the rebellion to the province was Rs. 25 lakhs, the increase under Police and Military expenditure being a central, and not a provincial charge.

Continuing, the Finance Member said that according to an estimate from a well-known source, $1\frac{1}{4}$ crores of rupees' worth of gold was exported from Burma in the ten months ending September last. After that, when the rupee was no longer linked to gold, $3\frac{1}{4}$ crores worth of gold had been exported.

Regarding the crop for 1931-32, the Finance Member said that it was grown at a profit which was not the case with that in the preceding year. The most astounding thing had been the export of a bumper crop surplus of $5\frac{1}{4}$ million tons, a figure never reached before, and a record in the world.

OFFICIAL BILLS

After the presentation of the Budget, the Finance Member introduced a bill to impose a duty on match which was expected to bring 17 lakhs and a Bill amending the Indian Stamp Act providing for an enhancement in the rates of duty on non-judicial stamps, both being referred to select committees. The Council then adjourned.

13th. FEBRUARY:—The Council had a short sitting to-day when two Government Bills were passed without debate. The first was the *Burma Courts Amendment Bill* in which it was proposed to create new Grade Civil Court called the Assistant District Court with pecuniary jurisdiction on civil side, limited to Rs. 15,000 and appellate powers in respect of appeal not exceeding Rs. 500 in value and also to remove some irregularities. The other Bill was to amend the *Rangoon Development Act* of 1920 the object of which was to insert a clause to enable the Board of Trustees to frame rules under which widows and dependants, in case of death of trust servants while in service of the trust, would be entitled to receive gratuities.

REDUCTION OF LAND REVENUE

15th. FEBRUARY:—Discussion of *non-official resolutions* commenced in the Council to-day. The Government suffered its first defeat by a majority of 18 votes, over the first resolution recommending that the land revenue rates be reduced in every district, proportionately in accordance with the paddy-price found prevalent in the district concerned, during the first week of January.

BURMA'S FUTURE—SEPARATION ISSUE

18th FEBRUARY:—The Premier's statement on Burma's future was discussed the whole day in the Council.

U. Chit Hla initiated the debate by moving that the Prime Minister's statement relating to the future Government of Burma did not satisfy the political aspirations of the people of Burma. He observed that the proposed Constitution was unacceptable, as it was full of checks and safeguards, and objected to the two Houses of Legislature and the appointment of Financial Adviser.

Mr. Ba Pe, delegate to the Burma Round Table Conference, moved an amendment that the Premier's statement while it did not completely satisfy the political aspirations of the people of Burma, afforded a suitable basis for determining the future Constitution of Separated Burma. He observed that though he was not satisfied with the statement as it stood, he appealed to the House to consider the proposed Constitution in all its aspects pointing out the advantages of a separated Burma with the Constitution sketched by the Premier.

Analysing the new Constitution in detail, *Mr. Ba Pe* emphasised the advantage of accepting it, opining that it contained provision for automatic growth leading to the cherished goal of Responsible Government. He urged Burmanisation of the Army, and expressed dissatisfaction against the exclusion of Backward Tracts. He urged that the question of commercial rights should be kept open for the future Government. Burma's debt was Rs. 60 crores he said, according to the Howard-Nixon Report and Rs. 102 crores according to the Indian Congress Report. The speaker criticised the latter, expressing surprise that Indians, who had been a party to depriving Burmans of their liberty, should insist on the payment of this debt. He said that such a demand was absurd and that the attitude of India was not in Burma's favour. He pointed out Burma's difficulties as a unit of the Indian Federation, and reminded the House of the Premier's speech. In this connection, he appealed to the House to urge for separation and accept the proposed Constitution as a practical measure, as Burma stood to yarn by it.

Mr. Tun Win, who had also tabled the original motion, admitted that the Premier's statement offered a Constitution better than the present dyarchy, but not better than that offered by the Simon Commission's report. He opposed the amendment criticising the Financial Adviser's appointment and suggested that in the future Constitution, there should be no communal representation, all foreigners being considered as Burmans. All subjects should be transferred to the legislature including the Army, which should be kept under the Governor's control for the transitory period of five years.

Saw Po Po Chit, a Karen member, opposed the amendment, criticising the Karen declaration, at the Round Table Conference, and remarking that his community's interests were sacrificed.

Tharrawaddy U. Pu, also a delegate to the Round Table Conference, made a lengthy speech in Burmese, pointing out that the proposed Constitution with safeguards was almost the same as Responsible Government. After detailing what happened at the Burma Round Table Conference, he said that the new Constitution was better than Dyarchy, and contained the essence of Responsible Government. He stated that if his party had not objected to separation at the beginning, the Premier would not have made such a good statement. He did not rely on the British, but at the same time he apprehended the extinction of the nationality of the Burmans by Indians. So, he wanted separation of Burma, so that she might fight for the attainment of her goal.

The debate was not concluded to-day.

19th FEBRUARY:—The Council, after a whole day's debate, passed Mr. Ba Pe's amendment, a few dissenting. Most of the members criticised the outline of the Constitution sketched by the Premier, some offering constructive criticisms, but the general tone favoured acceptance of the Premier's offer of a new Constitution. All the Burman members objected to communal representation and to special provisions for the protection of minority interests.

A reference was made by several speakers to the exclusion of the Shan States and the Backwards Tracts, the former covering practically half of Burma.

Mr. E. P. Pillai opposed the amendment, remarking that the proposed Constitution was worthless and unworkable, and refused to accept separation under the present circumstances. He characterised Mr. Ba Pe's remarks against Indians as uncharitable in connection with Burma's debts.

Sir Oscar De Glanville, a delegate to the Round Table Conference, hoped that the amendment would be accepted. Otherwise, it would be ungracious on Burma's part to refuse to accept the new Constitution offered by the Premier, which was the best for Burma. The speakers stated that the proposed safeguards were in the best interests of Burma. He expressed confidence that, if Burma accepted the Premier's offer and separated from India, the British Government would fulfil their pledges fully.

Mr. M. M. Rafi criticised the details of the proposed Constitution which, he opined, however, was a great advance, observing that the British Government was justified in asking the country to decide the question of separation, but thought it advisable for Indians to remain neutral in the matter.

Mr. C. H. Campagnac, also a delegate to the Burma Round Table Conference, supported the amendment, dwelling on the disadvantages of Burma joining the Federation.

Mr. W. T. Henry said that his constituency, the Burma Chamber of Commerce, was fully prepared to co-operate with Burmans to work for the advance of the province on the lines laid down by the Premier.

U. Tun Aung, Member from Akyab, apprehending that Arrakan would not receive fair treatment "as had happened all along", opposed the amendment urging divisional autonomy for Arrakan. He also expressed the view that Safeguards and the Governor's extensive reserve powers were not acceptable.

Mr. U. Ni, another delegate to the Round Table Conference, supported the amendment. He also explained how they tried to include the Shan States in the new Constitution.

Sra Shwe Ba, Karen delegate to the Round Table Conference, supporting the amendment, remarked that their work at the Conference was well appreciated by his community.

Mr. U. Ba, new Home Member, explained the Government's attitude, saying that the Government members will not participate in the debate, but the proceedings of the House would be forwarded to the authorities concerned.

Mr. U. Chit Hle, the mover, refused to accept the amendment, which was put to the House and carried without a division, only two dissenting.

Mr. Ba Pe's amendment was to the effect, that while the Premier's statement did not completely satisfy the aspirations of Burma, it formed a suitable basis for determining the future constitution of a separated Burma.

The Council adjourned.

THE MATCHES BILL

20th. FEBRUARY:—The business of the Council to-day consisted of additional and supplementary grants and the *Matches Bill*. The former evoked a lively debate occupying the whole day and the Bill was subsequently passed.

Demands for supplementary grants included one for fourteen lakhs of rupees by the Home Member for increased expenditure in police and also fourteen lakhs by the Forest Minister for granting loan to the liquidators of the Burma Provincial Co-operative Bank.

Due to objection by members that sufficient time was not given to consider the Select Committee's report submitted yesterday the consideration of the *Matches and Stamp Duty Bills* was postponed. The Council then adjourned.

VOTING ON BUDGET GRANTS

23rd. FEBRUARY:—Discussion on demands for grants commenced in the Council to-day.

Moving a nominal cut under the Home Member's demand, *U. Tun Win* raised a discussion about Reforms and wanted to know from the leaders of the different parties, their wishes about the dates of the forthcoming General Election on the question of Separation. The mover informed the House that his party, the National Parliamentary Party, favoured early elections.

U. Ba Pe, Leader of the People's Party, urged early election, suggesting the month of May as the best time.

Tharrawaddy U. Pu, Leader of the Home Rule Party, favoured elections in November, as the interval between now and May was too insufficient for the parties outside the Council to organise and prepare for the elections. Besides, the electoral rolls were not ready in the rebellion areas.

The Home Member stated that, excepting in Thayetmyo, the electoral rolls in the affected areas were all ready. As regards fixing a date for election the decision on the question rested with the Governor. But, the views of the members would be submitted for His Excellency's consideration.

On this assurance the motion was withdrawn.

U. Ba, moving another nominal cut, asked the Government to cancel the notifications and orders under the Criminal Law Amendment Act against political associations in view of the forthcoming elections.

Several members supported it. The Home Member said that 218 associations had been declared unlawful during 1931, of which the ban against 32 had already been withdrawn. Of the remaining, 98 associations belonged to Baho Goba. District authorities had already been asked to enquire about those Associations, and their reports were now awaited. Due regard would be taken of the members' request at the time of consideration of these reports. Necessary action would be taken without delay in the matter.

The motion for a cut was withdrawn.

27th. FEBRUARY:—The discussions on Budget "cuts" concluded to-day in the Council when it passed all the demands for grants without effecting any cut.

OFFICIAL BILLS

29th. FEBRUARY:—Two Bills for the purpose of fresh taxation, one to amend the Indian Stamp Act to revise the scale of duty on stamps and the other to impose a duty on matches, were passed by the Council to-day.

Both the Bills were opposed at the consideration stage.

The motion for consideration of the *Matches Bill* was passed without a division, while the motion for the passage of the Stamp Bill was pressed to a division and passed by a majority of four votes.

Both the Bills will remain in force for three years, the Government accepting amendments to that effect.

REDUCTION OF MEMBERS' ALLOWANCES

The Council also passed a *non-official motion* reducing the members' daily allowance from Rs. 20 to Rs. 15, as a measure of retrenchment, the Government members remaining neutral.

The Council then adjourned.

1st. MARCH:—H. E. Sir Charles Innes the Governor addressed the Council to-day before proroguing it.

GOVERNOR ON SEPARATION OF FEDERATION

His Excellency said that he had two purposes in view addressing the Council for the second time during this session—one to let them know the provisional conclusions of His Majesty's Government if Burma desired separation, and the other to announce his decision regarding the date of the elections. In the event of the former, His Excellency gave an outline of the many processes which had to be completed and the many questions to be settled before the introduction of the new Constitution, which, according to the Howard-Nixon Report, must be at the beginning of any financial year. He then concluded that it was hopeless to expect separation in 1933 and announced His Majesty's Government's provisional time-table as follows :—

Firstly, completion of the legislation by Parliament in the Summer of 1933 ;

Secondly, elections to the Legislature under the new Constitution in November 1933 ;

Thirdly, formation of the Ministry in December, 1933 ; and

Finally, separation on and from the 1st April, 1934.

As regards the date of elections over the separation issue, His Excellency announced that his present view was that the advantage lay in holding the elections in October or November this year. The Governor remarked that non-official opinion seemed to be on the side of postponing the same to Autumn. The arguments in favour of an early election were very strong. Either Burma desired to separate or join the Federation. The sooner the decision was taken the better. His Excellency also pointed out the arguments the other way, and referred to the schools of thought which had hitherto non-co-operated with the Council. He had been assured that in the event of postponement of the elections till Autumn, many adherents of those schools would participate in the election.

It was desirable on general grounds, His Excellency continued, to bring the separation controversy to an end. His sole concern was that the issues, separation or Federation, should be fully understood, carefully weighed and a considered verdict given. He did not want to give any ground for believing that the elections had been pushed through.

The Council was then *prorogued*.

THE ASSAM LEGISLATIVE COUNCIL

BUDGET FOR 1932—33

The Budget session of the Assam Legislative Council commenced at Shillong on the 1st. MARCH 1932. Introducing the Budget, the Hon'ble Sir Saadullah stated, that despite retrenchment in all directions, the Budget was a deficit one and the current year's working would show a revenue deficit of about Rs. 16 lakhs. The coming year is expected to close with a deficit of Rs. 9½ lakhs taking the capital receipts and the expenditure into account.

REMISSION OF LAND-REVENUE

2nd. MARCH:—The Council discussed non-official business to-day and carried a resolution without a division recommending to the Government to take note of the fall in the price of agricultural produce and grant suitable remission in the land revenue payable for land used for agricultural purposes.

"SEPARATION" OF SYLHET

3rd. MARCH:—The Council commenced to-day the general discussion of the Budget. Several members dwelt on the economic distress of the people and advocated further retrenchment in the salaries, and the abolition of certain departments of the Secretariat. One member urged separation of Sylhet from Assam.

ORDINANCES IN ASSAM

4th. MARCH:—In the Council to day, in the course of the general discussion on the Budget, which concluded, Sir M. Saadulla, the Finance Member, replying to Mr. Robini Chowdhury's criticisms, justified the gradual introduction of the Ordinances, as the result of the No-Rent and No-Chaukidari campaigns in Sylhet.

REMISSION OF LAND REVENUE

5th. MARCH:—The Council discussed non-official business to-day and carried several resolutions, the most important being Mr. Robini Chaudhuri's motion, recommending full remission of land revenue payable for land affected by floods last year.

TAXATION BILLS

7th. MARCH:—In the Council to-day Sir M. Saadullah, Finance Member, moved the *Assam Stamp Amendment Bill* and the *Court Fees Amendment Bill* increasing permanently, the fees chargeable under Indian Stamp Act of 1899 and the Court Fees Act of 1870, with a view to devoting the proceeds to general purposes owing to the budget deficit. The House opposing further taxation, negatived both.

LOCAL RATES AMENDMENT BILL

The Revenue Member's motion to refer the *Assam Local Rates Amendment Bill* to a select committee was adopted.

LAND-REVENUE IN ASSAM

8th. MARCH:—Four non-official motions criticising the Government were adopted by the Council to-day. Two of these were under 'Land Revenue'—one raising a discussion on the necessity of granting extension of time for payment of land revenue for the current year, due to the economic distress, and the other in regard to the absence of legislation for assessment of land revenue, for which the people had been long agitating.

ALLOWANCES TO COUNCIL MEMBERS

The third motion raised a discussion on halting allowances to Council Members. The fourth motion criticised the Railway administration in the Province.

The motion to reduce the Ministers' salaries from Rs. 3,500 to Rs. 1,500 was lost by 32 to 13 votes.

Excepting token "cuts", the Council voted the demands made.

DISCUSSION OF POLICE EXCESSES

9th. MARCH:—The demand under 'Jails and Convict Settlements' aroused a heated debate regarding the treatment meted out to political prisoners in Sylhet in the Council to-day. The hon. Mr. Laine assured that an enquiry into the allegations would be made.

The motion was lost and the entire demand was voted.

Under the Police demand a cut of Rs. 100 was made raising a discussion on police excesses in Sylhet on Jan. 26. The motion was carried by 22 votes to 19. Otherwise the Council voted the entire demand.

10th. MARCH:—The Council to-day voted the entire demands for grants under Scientific departments, Education (reserved), Civil Works (reserved), etc., the token cuts being either withdrawn or lost

POLICE EXCESSES IN SYLHET

11th. MARCH:—In the Council to-day, Mr. Abdur Rahim Chaudhuri's resolution for the appointment of a committee, consisting of three non-officials to enquire into and report on the excesses, if any, committed by the police and other officials on peaceful processionists in January and February last in Sylhet town, was lost by 26 votes against 14.

ASSAM MUNICIPAL AMEND. BILL

Khan Bahadur Keramat Ali's Assam Municipal Amendment Bill of 1931 was referred to a Select Committee.

12th. MARCH:—The Council voted to-day the entire demands for grants under Excise, Education, etc. All token cuts were either withdrawn or lost after discussion.

14th. MARCH:—The discussion on demands for grants concluded to-day. The Council passed two "cut" motions, one protesting against the grant of allowances to the Assistant Surgeons in the Dibrugarh Medical School and the other criticising the scanty provision for water-supply and the treatment of local boards.

15th. MARCH:—The Council passed three bills to-day viz., the *Assam Local Rates Bill*, the *Assam Court Fees Amendment Bill* of 1931 and the *Assam Pure Food Bill*.

16th. MARCH:—*Proroguing the Council* to-day, His Excellency Sir Laurie Hammond referred to the new constitution and observed that no Government would be successful unless the people got rid of the communal problems. That was why, observed His Excellency, the Assam Government laid stress on the desirability of the voter being given a choice of registering the vote in any constituency, he liked. His Excellency hoped that, whatever schemes were finally adopted, the door would be left open for the disappearance of religion from politics. In the future, if not at present, people, he hoped, might be able to have general constituencies representing all and sundry, replacing the strictly communal, tribal and other constituencies with special interests.

CONGRESS & CONFERENCES

JANUARY—JUNE 1932

THE MUSLIM POLITY

The All India Muslim Conference

LAHORE—21ST. MARCH 1932

The session of the All-India Muslim Conference opened at Lahore on the 21st. MARCH 1932 under the presidency of Sir Muhammad Iqbal and in the presence of about 1000 visitors, delegates, distinguished persons and leaders including Dr. Shafaat Ahmed Khan, Mr. A. H. Ghuznavi, Mr. Mohamed Hasan, Sayed Murtuza Sahib, Mr. Hasan Jan, Mr. Abdus Samad, Dr. Ziauddin, Mr. Saiyed Hussain Imam, Mr. Saiyed Abdul Hafiz, Maulana Mohammad Shafi Daudi, Mr. Masud Ahmad, Nawab Shaifullah Khan, Capt. Raja Sheri Mohammad Khan, K. B. Malik Mohammad Amin, Mr. Malik Feroze Khan Noon, the hon Nawab Saiyed Meharshah, and Mr. Haji Abdullah Haroon.

THE WELCOME SPEECH

Haji Rahim Baksh, Chairman of the Reception Committee, said that the Moslem Intelligentsia were divided into three groups. Firstly, there was the pro-Congress group whose number was not large, but who were whole-heartedly supporting the Congress and condemning terrorism. Secondly, there were those who had lost faith both in the Congress and in the British Government, and who urged us to stand on our own legs and work out our own salvation. This idea was gradually gaining ground with Muslims. Some of these also were extremists and believed in civil disobedience and direct action against the opinion of the majority. Thirdly, there were the moderates who, disappointed by Congress, were extending the hand of friendship to the British and would welcome an Anglo-Muslim alliance. But, the speaker asked : Will the Government take this hand and do anything to ensure Muslims' cooperation in India ? Muslims are at the cross-roads. The Congress has frittered away the opportunity to form an alliance with Muslims. They do not even now realise the usefulness of this link. At the same time the prospect of Muslim demands being accepted by the British in their entirety are not very bright. Which line of action are you going to adopt ?

The Presidential Address

In the course of his presidential speech **Sir Muhammad Iqbal** said :— Politics have their roots in the spiritual life of man. It is my belief that Islam is not a matter of private opinion. It is a society, or, if you like, a civic church. It is because present-day political ideals, as they appear to be shaping themselves in India, may affect its original structure and character that I find myself interested in politics. I am opposed to nationalism, as it is understood in Europe, not because, if it is allowed to develop in India, it is likely to bring less material gain to Muslims. I am opposed to it because I see in it the germs of atheistic materialism which I look upon as the greatest danger to modern humanity. Patriotism is a perfectly natural virtue and has a place in the moral life of man. Yet that which really matters is a man's faith, his culture, his historical tradition. These are the things which in my eyes are worth living for and dying for, and not the piece of earth with which the spirit of man happens to be temporarily associated. In view of the visible and invisible points of contact between the various communities of India I do believe in the possibility of constructing a harmonious whole, whose unity cannot be disturbed by the rich diversity which it must carry within its own bosom. The problem of ancient Indian thought was how the One became many without sacrificing its oneness. To-day this problem has come down from its ethereal heights to the grosser plane of our political life, and we have to solve it in its reversed form, i.e., how the many can become One without sacrificing its plural character. In so far then as the fundamentals of our policy are

concerned I have got nothing fresh to offer. In the present address I propose, among other things, to help you in the first place in arriving at a correct view of the situation as it emerged from a rather hesitating behaviour of our delegation at the final stages of the deliberations of the Round Table Conference. In the second place, I shall try, according to my lights, to show how far it is desirable to construct a fresh policy now that the Premier's announcement at the last London Conference has again necessitated a careful survey of the whole situation.

After giving a brief history of the work of the Muslim delegation the President observed :—

PROVINCIAL AUTONOMY

It is obvious that our delegates did their best to arrive at a communal settlement. The only thing which is a mystery to me, and which will perhaps ever remain a mystery, is the declaration made on the 26th November by our spokesmen in the Federal Structure Committee to the effect that they agreed to the simultaneous introduction of provincial autonomy and central responsibility. Whether this was due to their anxiety for conciliation and political advance of the country, or to some conflicting influences which operated on their minds, I cannot say. On the 15th of November—the day on which I dissociated from our delegation—Muslim delegates had decided not to participate in the discussions of the Federal Structure Committee. Why did they participate then in these discussions contrary to their own decision? Were our spokesmen on the Federal Structure Committee authorised to make the declaration of 26th November? I am not in a position to answer these questions. All that I can say is that the Muslim community considers the declaration a very grave error, and I have no doubt that this conference will give an emphatic expression to their views on this important matter. In my address to the All-India Muslim League I raised my voice against the idea of an all India federation. Subsequent events have shown that it is working only as a drag on the political advance of India. If the introduction of central responsibility is dependant on the completion of an all India federation which, I fear, will take a fairly long time, then the Government should immediately introduce responsible government in the British Indian provinces, so that the foundation thus delineated may till the coming of central responsibility fully prepare itself, by experience, to bear the weight of the federal superstructure. A great deal of spade work is needed before we can have a really modern federal state. I have reasons to believe, and had suspected this some days before I dissociated myself from our delegation, that our spokesmen were badly advised by certain English politicians in rejecting the immediate introduction of responsible government in the provinces of British India. Recently Lieutenant-Commander Kenworthy has expressed the same view. He says: "I understand that the moderate leaders in London were badly advised on this matter by certain English politicians, that they listened too readily to their advice and rejected the great instalment of provincial autonomy. And the curious thing is that the Mahatma was apparently ready to consider this instalment sympathetically." Who are the moderate leaders alluded to by the Lieutenant-Commander? In view of the attitude taken up by Sir Tej Bahadur Sapru in London and now in the Consultative committee regarding the immediate introduction of provincial autonomy, it is obvious that the writer of the passage quoted could not have meant Hindu Liberals. I think he probably means Muslim moderate leaders whose declaration in the Federal Structure Committee on the 26th November seem to me to be really responsible for the British Premier's announcement regarding the simultaneous introduction of central and provincial responsibility. And since immediate introduction of responsible government in the provinces would have involved a definite announcement regarding the demands of our community as to majority rights in the Punjab and Bengal, we must not forget, while judging the present situation, that the conduct of our own leaders is mainly responsible for the British Premier's silence which has raised all sorts of suspicions in the mind of the Muslim community.

MUSLIM SUSPICIONS

The next question is to explore the possibilities of shaping, if necessary, a new policy after the disappointing announcement made by the British Premier at the close of the last London Conference. Muslims have naturally grown apprehensive of Government's attitude towards the problem of communal settlement. They suspect that the Government will purchase Congress co-operation at any cost, and that its delay in conceding Muslim demands is only a cover for the possibility of finding

some basis for negotiations with that body. The policy of trusting the Government in regard to political issues seems to be rapidly losing its hold on the mind of the community. The Franchise Committee has postponed consideration of matters relating to the formation of constituencies. As for the promised provisional settlement it is obvious that no communal settlement, provisional or permanent, can satisfy the Muslim community, which does not recognise as its basic principle the right of the community to enjoy majority rights in provinces where it happens to be in actual majority. The continuance of separate electorates and the status of the Frontier Province are no doubt assured, but complete provincial autonomy, transfer of power from Parliament to Indian provinces, equality of federal units, classification of subjects, not into federal, central and provincial, but federal and provincial only, majority rights in the Punjab and Bengal, unconditional separation of Sindh, and one-third share in the centre, constitute no less essential elements of our demand. The Premier's silence on these points has only resulted in the unsound policy of war with the Congress and no peace with the rest of the country. Shall we then join the Congress in their present campaign? My answer without a moment's hesitation is, no. A careful reading of the underlying motives of this movement will make it perfectly clear.

THE CONGRESS MOVEMENT

To my mind this movement has its roots in fear and resentment. The Congress leaders claim that they are the sole representatives of the peoples of India. The last Round Table Conference made it abundantly clear that they were not. This they naturally *resent*. They know that the British people and the rest of the world now fully realise the importance of communal settlement in India. They further know that the minorities of India have arrived at a pact, and that the British Government have given a notice to enforce a provisional settlement of their own, in case the Indians themselves failed to arrive at one. The Congress leaders *fear* that the British Government in their provisional settlement of the communal problem may concede to the minorities what they demand. They have, therefore, started the present campaign to bolster up a claim which has no foundation in fact, to defeat a pact which they fear may find a place in the coming constitution, and to force the Government to settle the matter of minorities with the Congress alone. How can then a minority join a campaign which is directed as much against itself as against Government?

In the circumstances, therefore, to join the Congress in their present campaign is simply out of the question. But there is no denying that at the moment you are called upon to make important decisions. I am sure you are fully aware of the present state of the community's mind. Government's delay in conceding Muslim demands, and the treatment meted out to our brave Frontier brethren on the eve of constitutional reform, in their province, are making Indian Muslims suspicious of British methods; and most people are already asking the question whether the power of a third party in India does constitute a real safeguard for the Muslim minority against a politically hostile and economically exploiting majority in India. Lack of imagination is a virtue rather than a fault in a modern politician. And owing to this lack of imagination which is incapable of synthesising permanence and change in a higher political concept, modern politics is driven to live from hand to mouth. In the case of a subject country like India, therefore, co-operating communities are naturally led to think that the firmness of their political attitude in difficult times for the Government may be of little or no value in the eyes of this or that political party which may come to power at any time in England. Whatever may be the character and ideals of political parties in England, you must base your policy on *enlightened self-interest*, and conceive it in a spirit calculated to impress the whole British nation. It is folly to fight a battle in which there is likelihood of the fruits of victory going to those who are either hostile to or have no sympathy with our legitimate political aspirations. The present circumstances are such that in thinking out a line of policy with a view to get over the immediate difficulties of the community, it is your duty to see that the likelihood I apprehend is eliminated, and the benefit of the action advised by you finally accrues to your community.

BRITISH GOVERNMENT'S ATTITUDE

Let me state the position as plainly as possible. The British undertook to give a provisional decision of the communal problem in case the communities of India

did not arrive at a mutual settlement after representatives had returned from the second Round Table Conference. This undertaking was thoroughly consistent with the claim and policy of the British as a third party, holding the balance between the contending communities of India. The British Government's present attitude, however, would show that they do not mean to function as an impartial holder of balance in India and are indirectly driving the Indian communities which are mainly Hindus and Muslims to a kind of civil war. We tried the majority community and found them unwilling to recognise the safeguards which we can forego only at the risk of complete extinction as a nation determined to live its own life. The alternative was to hope for justice from the British who, ever since they took the country from the Muslims, have claimed, as I have said above, to function as an impartial holder of balance in India.

A CONSTANTLY SHIFTING POLICY

In their case, too, we find that the old British courage and straightforwardness are replaced by a constantly shifting policy which can inspire no confidence, and seems to be calculated only to facilitate their own position in India. The Muslim community is thus brought to face the question whether it is the *interest* of the community that their present policy has so far obviated British difficulties and brought no gain to the community shall continue for any further period of time. This is a question for the open Conference to decide. All that I can at the present stage is that, if you decide to discontinue this policy, your immediate duty is to prepare the whole community for the kind of self-sacrifice without which no self-respecting people can live an honourable life. The most critical moment in the history of of the Indian Muslims has arrived. Do your duty or cease to exist.

FRONTIER PROVINCE

It is indeed gratifying to see that Government have at least conceded our demand regarding the political status of North-West Frontier Province, though it remains to be seen what this status means in the actual administration of that province. News paper reports show that in the matter of franchise, Government rules have been more liberal than in other provinces. The reform machinery will, it is understood, be set in full working order from the next month. What, however, has taken grace out of the whole affair is the simultaneous launching of a campaign of repression which is not essentially different from Martial Law. The consideration shown in the matter of constitutional issue has been more than neutralized by the severity and short-sightedness shown in the case of the administrative issue. Government may have reasons for counteracting extremist activities of certain people in that part of the country, but it has surely not been able to defend a policy of wholesale repression. During this struggle in other parts of India Britain's dealing with the situation has not been entirely devoid of restraint. In the Frontier Province alone repression has assumed forms unworthy of a civilized government. If oral reports are true then the heart of the British official in the Frontier Province stands in need of a reform far greater in importance for the British Empire than the constitutional reform sought to be introduced into that province. It is for the Government to consider whether the incongruent policies of concession and repression will result in the pacification of a proud race like the Afghans. Abdul Ghaffar Khan certainly commands a good deal of influence among the young border Afghans, but what has extended the sphere of his influence to the furthest ends of the territory and to the ignorant folk of the Frontier villages, is the present thoughtless policy of repression. Government cannot be unaware of the fact that the All-India policy of the Indian Muslims was, at this juncture, effectively keeping in check the tendencies of the Muslims of that province to join hands with those who were for an unconditional alliance with the Congress. Perhaps there have been difficulties from the Government point of view; yet I think a little different handling of the administrative action could have saved the whole situation. The sooner the Government withdraw all repressive measures from the province the better for the province and Government itself.

KASHMIR

As to Kashmir it is hardly necessary for me to describe the historical background of events which have recently happened in that country. The apparently sudden resurrection of a people in whom the ego-flame had been almost extinguished ought to be, in spite of the suffering which it has necessarily involved, a matter of

rejoicing to all those who possess an insight into the inner struggle of modern Asiatic peoples. The cause of the people of Kashmir is absolutely just, and I have no doubt that the re-birth of this sense of the reality of their own personality in an intelligent and skillful people will eventually prove a source of strength not only to the State, but also to the people of India as a whole. What, however, is most deplorable is that the communal ill-feeling existing in India, and the perfectly natural sympathy of the Indian Muslims with their Kashmir brethren, led to a kind of counter-agitation among the Hindus, which, in its despair, sought to protect a barbarous administration by attributing its inevitable consequences to such wild fancies as Pan-Islamic plots and conspiracies for British occupation of Kashmir. Such agitation and communal colour thereby given to the Kashmir question could have led only to one thing—resort to violent repression leading to prolonged lawlessness in the State. Nor can commissions of enquiry be of any help in such a state of things. The Middleton Report which admits important facts and fails to draw legitimate conclusions therefrom has already failed to satisfy Muslims. The truth is that the matter has passed the stage in which enquiries can lead to effective results. The growing sense of self-consciousness in the people all over the world is now demanding recognition in the shape of a desire for an increasing share in the administration which governs them. Political tutelage is good for a primitive people; but it is in the best interests of an administration itself not to shirk from radical reform when a change in the outlook of a people demands it. Among other things which have probably arisen from the peculiar conditions obtaining in Kashmir, the people of that country demand some kind of a popular assembly. Let us hope that the Ruler of the State and the Government of India will consider the people's demands as favourably as they possibly can. There may be difficulties in the way of constitutional reform in Kashmir as in the case of our own country; but the interests of permanent peace and order demand that these difficulties must be speedily overcome.

The present struggle in India is sometimes described as India's revolt against the West: for the people of India are demanding the very institutions which the West stands for. Educated urban India demands democracy. The minorities feeling themselves as distinct cultural units, and fearing that their very existence is at stake, demand safeguards, which the majority community, for obvious reasons, refuses to concede. The majority community pretends to believe in a nationalism theoretically correct if we start from western premises, belied by facts if we look to India. Thus the real parties to the present struggle in India are not England and India, but the majority community and the minorities of India which can ill-afford to accept the principle of western democracy until it is properly modified to suit the actual conditions of life in India.

Nor do Mahatma Gandhi's political methods signify a revolt in the psychological sense. These methods arise out of a contact of two opposing types of world-consciousness—Western and Eastern. The Western man's mental texture is chronological in character. He lives, moves and has his being in time. The Eastern man's world-consciousness is non-historical. To the Western man things gradually become; they have a past, present and future. To the Eastern man they are immediately rounded off, timeless, purely present. That is why Islam which sees in the time-movement a symbol of reality appeared as an intruder in the static world-picture of Asia. The British as a western people cannot but conceive political reform in India as a systematic process of gradual evolution. Mahatma Gandhi as an eastern man sees in this attitude nothing more than an ill-concealed unwillingness to part with power, and tries all sorts of destructive negations to achieve immediate attainment. Both are elementally incapable of understanding each other. The result is the appearance of a revolt.

These phenomena, however, are merely premonitions of a coming storm, which is likely to sweep over the whole of India and the rest of Asia. This is the inevitable outcome of wholly political civilization which has looked upon man as a *thing* to be exploited and not as a *personality* to be developed and enlarged by purely cultural forces. The peoples of Asia are bound to rise against that acquisitive economy which the West has developed and imposed on the nations of the East. Asia cannot comprehend modern western capitalism with its undisciplined individualism. The Faith which you represent recognises the worth of the individual, and disciplines him to give away his all to the service of God and man. It can still create a new world where the social rank of man is not determined by his caste or colour,

or the amount of dividend he earns, but by the kind of life he lives; where the poor tax the rich; where human society is founded, not on the equality of stomachs but on the equality of spirits; where an untouchable can marry the daughter of a king; where private ownership is a trust, and where Capital cannot be allowed to accumulate so as to dominate the real producer of wealth. This superb idealism of your faith, however, needs emancipation from the medieval fancies of theologians and legists. Spiritually we are living in a prison-house of thoughts and emotions which during the course of centuries we have weaved round ourselves. And be it further said to the shame of us, men of older generation, that we have failed to equip the younger generation for the economic, political and even religious crises that the present age is likely to bring. The whole community needs a complete overhauling of its present mentality in order that it may again become capable of feeling the urge of fresh desires and ideals. The Indian Muslim has long ceased to explore the depths of his own inner life.

The lesson that past experience has brought you must be taken to heart. Expect nothing from any side. Concentrate your whole ego on yourself alone, and rippen your clay into real manhood if you wish to see your aspirations realised. Be hard and work hard. This is the whole secret of individual and collective life. What then shall be our future programme? I am inclined to think that it should be partly political, partly cultural. I venture to offer a few suggestions for your consideration :—

(1) We must frankly admit that there is yet a sort of chaos in the political thought of those who are supposed to guide the activities of the Indian Muslims in the present-day political struggles. The community, however, is not to blame for this state of things. The Muslim masses are not at all lacking in the spirit of self-sacrifice when the question of their ultimate destiny in this country is involved. Recent history bears ample testimony to what I say. The fault is ours not theirs. The guidance offered to the community is not always independently conceived, and the result is ruptures, sometimes in critical moments, within our political organisations. Thus these organisations cannot properly develop the kind of discipline which is so absolutely essential to the life and power of political bodies. To remedy this evil I suggest that the Indian Muslims should have only one political organisation with provincial and district branches all over the country.

(2) Secondly, I suggest that this central organisation should immediately raise a national fund of at least 50 lakhs of rupees. No doubt we are living in hard times, but you may rest assured that the Muslims of India will not fail to respond to your call if a genuine effort is made to impress upon them the gravity of the present situation.

Thirdly, I suggested the formation of youth leagues and well-equipped volunteer corps throughout the country under the control and guidance of the central organisation. They must specially devote themselves to social service, custom reform, commercial organisation of the community and economic propaganda in towns and villages, especially in the Punjab where the enormous indebtedness of Muslim agriculturists cannot be allowed to wait for the drastic remedies provided by agrarian upheavals.

(4) Fourthly, I suggest the establishment of male and female cultural institutes in the big towns of India. These institutes as such should have nothing to do with politics. Their chief function should be to mobilise the dormant spiritual energy of the younger generation by giving them a clear grasp of what Islam has already achieved, and what it has still to achieve in the religious and cultural history of mankind.

(5) Fifthly, I suggest the formation of an assembly of Ulama which must include Muslim lawyers who have received education in modern jurisprudence. The idea is to protect, expand, and if necessary to reinterpret the law of Islam in the light of modern conditions while keeping close to the spirit embodied in its fundamental principles. This body must receive constitutional recognition so that no bill affecting the personal law of Muslims may be put on the legislative anvil before it has passed through the crucible of this assembly.

After the presidential speech was over the Conference passed resolutions demanding Muslim representation in the All India Services and the Army and then adjourned.

SECOND DAY—22ND. MARCH 1932

EXCHANGE OF LATHI BLOWS AND BRICKBATS

Scenes of rowdiness marked the concluding session of the Conference to-day. The proceedings began two hours late and just as Sir Muhammad Iqbal entered the *pandal* a large number of *Ahrarees* also tried to enter but were kept back. A tug-of-war resulted at the gate between the *Ahrarees* and the volunteers of the conference resulting in an exchange of *lathi* blows, brickbats and force. The police later intervened and dispersed the crowd, but just as it retired rowdiness continued and the proceedings of the conference took the form of moving resolutions without speeches or very brief speeches and without discussions. All resolutions were thus hurried through during the time when the crowd outside was attempting to enter the *pandal* from one side or other amidst various kinds of slogans.

Resolutions

The most important resolutions passed were:—

(1) Whereas the Muslim community is profoundly dissatisfied with the results of the last two conferences inasmuch as the Muslim demands formulated on Jan. 1, 1929, and July 5, 1931 have not been conceded and whereas the conference is generally of the opinion that its policy of cooperation has not yet yielded satisfactory results, it holds that it is no longer possible for the Muslims to continue to cooperate with the Round Table Conference and its sub-committees which are preparing a constitution in the absence of a decision that full Muslim demands will be embodied therein. But in view of the undertaking given by the British Government to announce its decision on the communal question without delay this conference urges upon the Government to announce its decision at the earliest possible opportunity so that the Muslim community may clearly understand its position in the constitution. If the decision is not announced before the end of June the next meeting of the executive board of the conference should be held on July 3 this year at the latest to launch a programme of direct action.

This conference is further of opinion that in the meantime the community should be organized in the following manner to be prepared for any emergency which may arise:—(a) to establish more branches of the Muslim Conference in all parts of the country to bring about coordination of work among the Muslim organizations in the country with a view to political emancipation and the economic betterment and solidarity of the community, (b) to enrol volunteers under the branches of the conference with a declaration from them that they will be prepared for all possible sacrifices for the enforcement of the demands of the Muslim Conference, (c) to collect funds for the above purposes.

The Conference further authorises the working committee to prepare a programme of direct action and place the same before the executive board by the end of June 1932 for necessary action.

(2) Whereas the scheme of federation propounded by the Round Table Conference is bound to involve considerable delay in the working of details and whereas the provinces of British India have been demanding complete provincial autonomy ever since the inauguration of the Government of India Act, 1919, this conference demands the immediate introduction of provincial autonomy in all provinces in British India simultaneously while the details of the federation scheme are being explored and worked out.

SECRETARY'S STATEMENT ON CONFERENCE DECISION

A meeting of the Working Committee of the All-India Muslim Conference was held at New Delhi on the 31st. MARCH under the Chairmanship of **Seth Haji Abdullah Haroon**. The discussion centred round the question of the giving effect to the compromise resolution of the Lahore Conference. The Secretary was authorised to issue the following statement:—

"It is no wonder that a section of the press have done great injustice to the Lahore session of the All-India Muslim Conference by misrepresenting all that happened while the Conference was in session. The only subject that engrossed the earnest attention of the members was how best to achieve the immediate objective of securing

the acceptance of the Muslim demands in regard to communal representation and minority safeguards in the future Constitution of India and to direct the growing tendency of the Muslim public to immediately start a movement for achieving those objectives of the Conference.

Composed as the conference was, all schools of thought were represented therein by their best intellect. The left-wing had the opportunity to press its view points, and carry the conference with it. Had not the communique issued on the 19th March pledged the honour of His Majesty's Government in announcing that it was their firm intention that there would be no avoidable delay in coming to a decision on the communal problem, the result would have been wholly different. The earnestness which the communique showed influenced the mind of many members of the conference. The outcome was the compromise resolution which disclosed at once the mentality of the left-wing as well as those of the right-wing. This is enough to indicate to a genuine enquirer how the currents, the under-currents and the cross-currents were shaping the resolution at the time.

Although disappointment at the reticence of the British Government was strongly expressed, no break was allowed to take place with the Government at the time. Over three months were considered enough for the British Government to announce their decision in a manner which might satisfy the Mussalmans of India as well that large section of non-Muslims who, in their heart of hearts, feel that while majority rule is going to be established in India, the Mussalmans must obtain security of their position in the future Constitution.

The compromise, which was arrived at after a most careful consideration and exhaustive discussion by the Subjects Committee, was placed before the conference and was accepted without a single dissentient voice. The spirit of deep earnestness and determination which permeated the entire conference is evidenced by the business like manner in which other resolutions were disposed of without the usual flood of verbose and long-winded oratory. We hope this statement will dispell all illusions created by interested Press and parties.

The resolutions passed by the conference have been interpreted in some quarters as signifying an augmentation of Muslim demands. The conference did nothing more than reiterate and elucidate its original demand as set forth in the resolution of the conference on the 1st. January 1929 and reaffirmed its emphatic adherence to that resolution.

THE WORKING COMMITTEE MEETING—8TH JUNE 1932

The Working Committee of the All-India Muslim Conference met at Simla on the 8th. JUNE. Among those present were Dr. Shafaat Ahmed Khan, Syed Murtaza Sabib, Syed Habib, Mufti Mahomed Sadiq, Mr. Hussain Imam and Mr. Shafee Daudi. Dr. Shafaat Ahmad Khan presided over the meeting of the committee.

The following resolutions were passed :—

THE LOTHIAN REPORT

(1) "The Working Committee of the All-India Muslim Conference places on record its appreciation of the service rendered by the Indian Franchise Committee in proposing the extension of direct franchise on a sound basis. The Working Committee however deems it essential that attention should be called to a number of recommendations in the report of the Franchise Committee, which militate against the organisation of a genuinely representative democracy in India and are bound ultimately to produce an amount of friction and engender a feeling of dissatisfaction which will be harmful, no less to the stability of the new Constitution, than to the growth of national unity and solidarity.

"The recommendations, if carried into effect, would create a segmentation of the Indian electorate to an extent which would render both the Provincial and the Federal Legislatures unworkable. While not committing itself to other details of the various schemes formulated by the Franchise Committee for the provinces and the Centre, the Working Committee is emphatically of the opinion that reconsideration and modification of some of its proposals is imperatively necessary as they would render the smooth working of the Constitution extremely difficult if not impossible.

"The Working Committee would like to draw the attention of the Indian Franchise Committee to the following points :

SPECIAL CONSTITUENCIES OPPOSED

"(a) The Working Committee is opposed in principle to the creation of or perpetuation of special constituencies as it is firmly convinced that the only true and sound principle on which the new Constitution can be based is the organisation of territorial constituencies, which are quite capable of expressing the views and needs of the different interests comprised therein. The Working Committee would like to point out that the recommendations made by the Franchise Committee regarding general constituencies would facilitate the election of all the classes for which the Committee has proposed special constituencies. For these, as well as other reasons, the Working Committee is opposed not only to the creation of new but also to the maintenance of the existing constituencies for the special classes enumerated by the Franchise Committee. Should it however be considered necessary to maintain some special constituencies in any province, the Working Committee will agree to such special constituencies subject to the following fundamental principles :

"(a) Special constituencies should be designed only for a transitional period. After the lapse of this period, all special constituencies should disappear.

"(b) As an overwhelming majority of such constituencies are essentially communal in their outlook, working and policy, the Muslims must be given a share in proportion to their representation in all the legislatures. Otherwise, the Muslim proportion in all the legislatures will be violently disturbed.

"(c) No special constituencies should be created for Labour. The Committee is convinced that the extension of the franchise proposed by the Indian Franchise Committee is bound to lead to an effective and substantial representation of Labour in all the Legislatures, while the special franchise devised by the Committee for adding to the voting strength of the Depressed Classes would lead to the election of a large number of Depressed Class members who would safeguard the interests of Labour. The Working Committee is surprised at the action of the Indian Franchise Committee in trying to create special qualifications and reserving seats for industrial Labour, whereas the claims of the larger and more deserving agricultural labour class have been totally ignored.

WOMEN FRANCHISE

"(d) The Committee believes in the complete civic equality of women and is not opposed to any extension of the franchise which is of a general application and enfranchises both men and women, but it is opposed to the special franchise suggested for women, both for the provinces and the Centre, as it would dislocate the entire electoral machinery, and create invidious distinctions among women and produce considerable friction and dissatisfaction among the various classes of voters. The Committee is not aware of any representative women's organisation which has asked for the peculiar and unique privilege which the Franchise Committee has conferred on the women of the country. The method of enfranchising the wives of men voters recommended by the Committee not only introduces the most objectionable principle of plural votes given to the rich and propertied classes, but also removes for the future all incentive for reform of such laws as prevent the women of India from inheriting property.

"(2) While the Committee recognises the need for the protection of all minor minorities, it would like to point out that any scheme regarding the minor minorities which has the effect, direct or indirect, of reducing the Muslim quota in the Provincial and Central Legislatures will be totally unacceptable to it.

"(3) As regards the allocation of seats in the Federal Legislature among the provinces, proposed by the Federal Structure Sub-Committee to which the Indian Franchise Committee is strongly of the opinion that the number of seats allotted to the Frontier Province and Baluchistan is most unfair and totally unacceptable to it. The Muslim members of the Federal Structure Sub-Committee did not agree to the number of seats allocated to these provinces. The Committee is strongly of the opinion that the Frontier should be allotted four seats in the Upper Chamber and five seats in the Lower Chamber, while Baluchistan should be allotted two seats in the Upper and three in the Lower Chamber of the Federal Legislature.

"(4) The Working Committee is opposed to the increase in the size of the Lower Federal Chamber as it is of the opinion that it is of the essence of a Federal Legislature that it should be comparatively small in size. The size suggested by the Federal Structure Sub-Committee was the result of a compromise and was determined after a full and thorough debate. In the opinion of the Committee, the recommendation of the Federal Structure Sub-Committee should not be disturbed.

"(5) The Working Committee is strongly of opinion that no case has been made out for representation of special classes in the Federal or Local Legislatures, and it is opposed in principle to such classes being represented.

"(6) In the minority provinces, the United Provinces, Bombay, Bihar and Orissa, Assam, Madras and C. P. the existing weightage should be guaranteed in the local Council. In the Punjab and Bengal, Muslim constituencies should be in the majority and should preponderate.

"(7) The Committee is strongly of the opinion that the Muslim members of the Federal Upper House should be elected only by the Muslim members of their Provincial Legislatures.

"(8) The Working Committee would like to make it clear that it cannot approve the weightage to Indian Seats in either House of the Federal Legislature. It supports the policy of the Muslim delegates in the Federal Structure Sub-Committee and cannot consent to any other principle of representation of the Indian States, except the principle of population.

THE PERCY REPORT

"The Working Committee of the All-Indian Muslim Conference is strongly of the opinion that the report of the Federal Finance Committee presided over by the Rt. Hon'ble Lord Eustace Percy does not offer a fair, equitable and satisfactory solution of the financial basis of the Federation Scheme. The report as a whole is unacceptable to it. It is convinced that a radical modification of some of its important recommendations is essential to the stability and practicability of the new constitution.

"The Working Committee, while not committing itself to other details of the financial scheme adumbrated in the report, is strongly of the opinion that the lack of any representatives on the Committee from British India and the failure of the Committee to consult representative commercial and political opinion in India on some of the most crucial and vital problems of financial and fiscal administration, have seriously affected the findings of the Committee, and have rendered some of its fundamental proposals one-sided, partial and inequitable to British India.

"The Working Committee places on record its deliberate and considered opinion that,

(1) The provinces of British India should be invested with complete financial autonomy. In its opinion provincial autonomy will be incomplete unless and until the provinces are made financially autonomous units of the Federation.

"(2) Unless the burdens are equalised among the units of the Federation and the principle of equity is consistently applied, the Financial structure that may be built up will be thoroughly unsound.

"(3) In the opinion of the Working Committee the report of the Federal Committee does not impose any charge upon the Indian States for the maintenance of the Federal Government and the tax-payer in British India will be called upon to shoulder the responsibility for practically all the expenses of the Federal Government. The Committee regards this as most unfair and completely unjustified.

"(4) The Committee is strongly of the opinion that the Indian States that will constitute the units of the Federation should be asked to contribute a share of the expenses incurred in the maintenance of services such as the army and of departments which are designed for the safety, protection and convenience of the Federation as a whole. The Committee is of the opinion that the States should contribute their share to the federal finances in proportion to their population.

"(5) If the Indian States are charged with the payment of a proportionate amount to the Federal Exchequer either in the form of a federal tax or in the shape of contributions, the intense feeling which has been created by the Federal Finance Committee's Report will be mitigated, if not entirely removed.

"(6) The Working Committee of the Muslim Conference is strongly opposed to the scheme of contributions proposed to be levied by the Federal Government from British Indian units. In its opinion, if this proposal is accepted, it will render the autonomous provinces of British India financially helpless, politically impotent and administratively incapable of vigour, energy and effectiveness.

"No contributions should be leviable from the British Provinces. The proceeds of income-tax should be placed immediately at the disposal of the provinces after the passing of the new Act. The Committee is strongly of the opinion that the only

sound and practicable scheme which can be applied in India, consistently with the basic principles of Federation and with the traditions, powers and privileges of the sovereign States of British India, is one in which the powers of the Federal Government over all its units, both British Indian and Indian States, are strictly defined, in which the functions of the Federal Government are carefully and precisely demarcated, and in which the principle of uniformity of taxation and equality of sacrifice by the component units has a full, free and unrestricted sway. Judged by these tests, the recommendations of the Federal Finance Committee are vitiated by the lack of just regard for the financial autonomy of the provinces and the need for an equitable distribution of burdens among the different units of the Federation. The Working Committee would like to illustrate this tendency in the report of the Federal Finance Committee by citing the following examples:—

(1) The recommendation of the Committee regarding contributions. The Working Committee has already expressed its view on this.

(2) The emergency powers of the Federal Government are too wide, and will considerably restrict, abridge and in some cases render illusory the financial autonomy of the provinces.

(3) The Federal Committee has not endorsed the proposal of the Peel Committee that the residuary powers of taxation should rest with the Provinces. In our opinion, the principle should be unambiguously laid down in the constitution.

(4) The Federal Finance Committee has given the Federal Government general powers to impose a surcharge for its own purposes on any tax levied by it for the benefit of the units. In our opinion, the power thus conferred on the Federal Government is too wide.

(5) The maintenance of the internal customs duties among the Indian States is inconsistent with the basic principles of Federation and incompatible with stability of administration. In the opinion of the Committee, all internal customs duties levied on Indian States should be abolished. The Committee is of the opinion that customs duties in India should be uniform.

(6) The Committee is strongly of the opinion that no Central charge should remain in the budget of the Federal Government as if the Federal Government assumes responsibility for the whole of the pre-federation debt, its obligations would be more than covered by the assets taken over by the Federal Government.

(7) The Working Committee is of the opinion that the provinces of British India should be given complete power to borrow in the open market according to their needs and requirements without any control or restriction by the Federal Government, subject to such coordination of borrowing by the different units as may be mutually agreed upon between the units and the Centre. The Working Committee is in favour of the proposal for the constitution of a Financial Council containing representatives of the Centre and the Provinces for the purpose of co-ordinating loan programmes and other matters of common concern to the Provinces and the Centre. Such a body will be the co-ordinating body for the purpose, and will possess such powers as may be mutually agreed upon by the members thereof.

The Working Committee is emphatically of the opinion that unless and until the defects complained of above are not removed without avoidable delay, the report of the Federal Finance Committee will not only be totally unacceptable to the Muslims of India, but will also prove an unsurmountable obstacle to the establishment of a sound and practicable scheme of Federation.

THE ALWAR RIOT

"The Working Committee strongly protests against the attitude adopted by the Alwar Durbar in completely ignoring the repeated request of the Secretary of the Committee to allow a deputation to wait upon His Highness the Maharaja of Alwar for the redress of the grievances to which frequent expression has been given by the Muslims of the State and for the removal of which the Alwar Durbar has hitherto taken no steps. The Working Committee is of the opinion that the recent unfortunate occurrences in the State are the direct result of gross neglect by the Durbar of its elementary duty to the Muslim subjects of the State.

The Working Committee urges upon the Alwar Durbar the necessity of appointing an impartial committee to investigate the predisposing causes of the present happenings.

"The Working Committee places on record its dissatisfaction with the personnel of the Committee appointed by the Alwar Durbar.

THE GLANCY REPORTS

"The Working Committee requests the All-India Kashmir Committee to formulate its decisions on the two Glancy Reports without avoidable delay, so that the Muslim Conference might be able to evolve a considered policy regarding Kashmir.

THE BOMBAY RIOT

"The Working Committee is profoundly grieved over the recent unfortunate occurrences in Bombay, and hopes that feelings of amity and harmony would be restored. The Committee heartily sympathises with the members of the bereaved families who have suffered in person and property.

THE BENGAL PRESIDENCY MUSLIM LEAGUE

League's Repudiation of Communal Electorate

The Bengal Presidency Muslim League issued the following statement on the 3rd. April expressing its views regarding the Electorates :—

The Bengal Presidency Muslim League is of opinion that communal electorate has failed to achieve the object for which it was introduced and it has proved detrimental to the interests of the community and the country. In the circumstances prevailing at the time of its introduction it was feared that mixed electorate would not secure to the community adequate and effective representation in the Legislature. The system of communal representation, which in ordinary circumstances, cannot have a place in a democratic constitution was, therefore, introduced as a temporary experimental measure with a view to give the community a start in the operation of the new constitution.

The election that took place under this system conclusively proved that the Muslims of Bengal, who agreed to under-representation of the community in the Provincial Legislature for the sake of communal electorate, in accordance with the terms of the Lucknow Pact, have not benefited by it. On the contrary, their interests both in respect of the number and efficiency of their representatives, have greatly suffered by this arrangement. The number of Muslim representatives in the Provincial Council is far below the numerical strength of the community in the population of the Presidency and in many cases, those representations have not been of the type that was expected to be secured by this system. Besides, it has engendered in the community a false sense of security, which has taken away the chief incentive to political organisation and stood in the way of their being self-confident and self-reliant. In these circumstances the League has come to the conclusion that it would be unwise to stand any longer on an artificial prop that would perpetuate the political weakness of the community and retard the growth of manhood in the largest and most important Muslim Province in India. It would naturally hamper the necessary exertion for political progress and stunt the growth of a sense of common citizenship. Unless this policy of isolation is abandoned and party division in the Council is based on viewing the interests of the country from different angles, a democratic constitution is apt to prove a mere farce. Separate electorate has done its work and the League thinks that time has come to replace it by a system of joint electorate. Change of circumstances has awakened in the community a sense of political consciousness and adult suffrage or lowering of franchise will raise the proportion of Muslim voters. The success of the Muslims in the Local and Union Board elections in different districts of Bengal goes to show that they are now able to hold their own in a mixed electorate.

The case of the Muslims of Bengal is altogether different from that of their co-religionists in other Provinces. In Bengal an overwhelming majority of the community as well as of the whole population—about 86 per cent—come from the cultivating class. The interests of these tillers of the soil really constitute the interests of the community and the country. Unless proper arrangements are made for their adequate representation in the Legislature, their interests, which are different from the interests of other sections of the population, cannot be furthered and safeguarded. In fact the economic condition of the masses cannot be improved until the Hindu

and Muslim masses, who are at present divided by communal electorate, make common cause in a common electorate. Separate electorate has brought neither strength nor prosperity to the masses of Bengal who are being exploited by designing persons for their own selfish ends.

There is an inherent inequity in placing in a constitution a majority community in the position of statutory minority on the plea of the questionable benefit of separate electorate, which deprives a particular community or party of its right of appeal to the electorate. The Muslims of Bengal on no account agree to be placed in such a disadvantageous position, which is supported neither by constitutional history nor by political wisdom. The League repudiates the assertion that might have been made by interested persons or parties that the majority of the Muslims of the Bengal are in favour of separate electorate or that they are willing to accept minority position for the sake of such electorate.

THE ALL INDIA MUSLIM LEAGUE COUNCIL

The Council of the All-India Moslem League met at New Delhi on the 29th. May, when twenty members attended, prominent among them being **Mr. Zafarulla Khan**, the President, Sir Mahomed Yakub, the Secretary, Mr. Hussain Imam, Nawab Ahmad Yarkhan of Tiwana, Barrister Abdul Aziz, Mr. Akbar Ali, (Punjab) and Mufti Mahomed Sadique. None attended from Bengal. The following resolutions among others were passed :—

THE BOMBAY RIOTS

The Council deplored the Bombay riots, regarding the same "as a fresh instance of Hindu intolerance and high-handedness." The Council appealed to the leaders of both the communities forthwith to adopt and carry into effect measures calculated to restore peace and good understanding between the two communities. The Council condemned the deliberate attempts of a certain section of the Press to accentuate communal feelings by the publication of false and defamatory news agencies and newspapers to work for peace and harmony between the communities, and avoid the publication of matters likely to lead to further excitement and misunderstanding.

COMMUNAL AWARD

The Council strongly urged on the British and Indian Governments the urgent necessity of an immediate decision on the question of the method and quantum of Moslem representation in the future legislatures of the country—Central and Provincial—inasmuch as delay in the announcement of the decision had already occasioned grave discontent resulting in the deplorable incidents which have led to acute tension between the communities throughout the country blocking progress in the framing of the new Constitution. Any further delay was bound to lead to very grave consequences, the responsibilities for which must be with those who had so far failed to discharge the duties undertaken by them in this connection.

BENGAL MUSLIM LEAGUE AND JOINT ELECTORATES

The Council, while approving of the resolutions adopted by the Bengal Moslem League on the 3rd April, authorised the Secretary to ascertain and place before the next meeting of the Council the opinion of the leading Moslems and Moslem organisations in Bengal in regard to the views of the Bengal Moslem League urging adult franchise with joint electorate without reservation of seats for Moslems in Bengal.

THE PUNJAB MUNICIPAL BILL

The Council endorsed the resolution of the Punjab Branch of the League in the matter of separate electorates, women franchise and the Punjab Municipal Bill, and expressed the opinion that the proposed Bill paved the way for the Federal Assembly to interfere with the provincial affairs of the Punjab. The Council appealed to H.

E. the Governor to take suitable action to prevent the provinces from being deprived of the benefits of local self-government. The Council also appointed a Committee to prepare the Municipal Amendment Bill for submission to H. E. the Governor, who would be further requested to receive a deputation of the League to hear its point of view.

THE MUSLIM LEAGUE WORKING COMMITTEE

The Working Committee of the All-India Muslim League which met at New Delhi on the 14th. June adopted the following resolutions :—

THE LOTHIAN COMMITTEE REPORT

1. "While approving of the principle of extending franchise to Provinces, the Working Committee of the All India Muslim League is of the opinion that the Indian Franchise Committee has failed to achieve proper distribution of voting power between different sections of people, the object aimed at by the Committee itself. It was desired by the Simon Commission as well as the Round Table Conference that voting registers in the Provinces should reflect Muslim population as compared with voting registers of other communities. The Franchise Committee's achievement is a divergence which existed before and has been further accentuated because :

(1) The wives of men who possess property qualification prescribed for the present Provincial Councils have been franchised ;

(2) Specially reduced qualifications have been prescribed for depressed classes and thereby their voting strength increased.

The Working Committee, therefore, calls attention to the recommendations of the Indian Franchise Committee that "as soon as the basis of new franchise has been approved instructions be issued for the preparation of the electoral roll on the qualification finally accepted. If it is found that the ratio of the voters to the population is markedly discrepant in the case of any community, it will be necessary to consider what action, if any, is required in order to rectify the disparity. This information should be made available as early as possible in view of its importance at the next stage when constituencies will be delimited."

2. (a)—The Working Committee of the All India Muslim League considers the creation of special constituencies, separate representation of Labour and differential qualifications for women open to serious objection. In the opinion of the Working Committee, women should be treated on equality with men and no woman should be enfranchised on qualifications of their husbands, a method which is opposed to all canons of all constitutional laws as well as to the opinions expressed by the majority of women witnesses and women's associations.

(b) As regards the methods of representation the Working Committee strongly urges that Muslim women should be included in the same category as their men.

(c) The Working Committee of the League further lays stress on the Prime Minister's Declaration that "representation of special interests should not be allowed to effect the balance of power or to encroach to the extent which amounts to stultification of communal percentage."

THE PERCY COMMITTEE REPORT

3. While agreeing with the view that income-tax being a provincial source of revenue is subject to contribution to Federal Government, the Working Committee regrets its inability to endorse other recommendations contained in the Report of the Federal Finance Committee.

The Working Committee of the Muslim League considers that full financial autonomy of Provinces of British India is essential for the introduction of responsible government in this country.

Further, the Committee is of opinion that all units of the Federation should be called upon to contribute on a uniform basis to the Federation and not to equal amount. The Working Committee is of the opinion that Indian States should be made liable to bear the burden of maintenance of the Federal Government to the extent of their representation in the Federation which, in no case, should exceed the ratio of their population.

SEPARATION OF SIND

4. The Working Committee is alarmed at the report that stray efforts are being made to put stumbling blocks in the way of the separation of Sind from Bombay. The Working Committee is of the opinion that the claim of 21.69 lacs interest on unproductive and pre-reform irrigation debts which ought to be set aside as compensation against inequity of geographical divisions of assets should be described as subvention, nor does the Working Committee understand why the sum of 21 lakhs, which is claimed as the share of incometax should be included in the category of subvention when it was not so characterised in the Percy Report about Assam and in Meston Report when Behar and Orrisa was excused all contribution under the Meston Award.

The Working Committee considers that all technical objection raised by Professor H. R. K. Bhatija before the Brayne Sind Conference can be met satisfactorily. The Working Committee considers that all objections against separation of Sind are raised merely to deprive the Mussalmans of their legitimate rights as a majority community in the provinces and the Mussalmans of India will not be satisfied with a constitution which reduces the Muslims into minority in provinces in which they are in the majority.

KASHMIR MUSLIMS.

5. (a) While appreciating the services of the Glancy Commission and the solicitude of the Maharaja of Kashmir to redress the grievances of the Mussalmans of the State, the Working Committee considers that the recommendations of that Committee as regards the shares of the Mussalmans in services of the State are quite inadequate and unjust. The Working Committee urges that the share of the Mussalmans in the services of the State must be in the ratio of their population.

The Committee is further of the opinion that an impartial and independent public services commission should be constituted in order to fill up the vacancies in the different departments of the State.

(b) The Working Committee is of the opinion that in the proposed Legislative Assembly in Kashmir State, Mussalmans of the State should have their representation in proportion to their population and in no case should their majority be reduced in a minority.

(c) The Working Committee strongly urges that the recommendations of the Glancy Report and other reforms should be applied to and introduced in the Poonch State which is a part of the territory of Kashmir and Jammu in the same way and to the same extent as in other parts of the State.

(d) The Working Committee respectfully but strongly draws the attention of the Maharaja and his Chief Minister to the grievances of the Mussalmans of Poonch and urges the immediate necessity of their being enquired into and redressed.

THE MUSLIM LEADERS' MANIFESTO

The following is the text of a statement which an influential group of Indian Moslems prepared for issue to the press in India and London. The Manifesto, as it was called, was first published by the "Statesman" (Calcutta) on the 5th. June and subsequently by the "Times" in London on the 11th. June, in a form amended by H. H. the Aga Khan, the text of which is given below.

"It seems probable that within a comparatively short time hence His Majesty's Government will seriously undertake the task of propounding a settlement of the Indian communal problem. In doing so, the Government will naturally have to be influenced by many complex and important considerations, ranging over the whole vast field of Indian politics and sociology, not concentrating on only local detail or party interest at the cost of a true perspective of the Indian sub-continent.

"For this reason we wish to make it clear at the outset that, despite inimical suggestions to the contrary, the well-known Moslem claims are not based solely on local or provincial prejudices or ambitions, but are inspired by the belief that their endorsement and constitutional ratification are essential to the peaceful security of

the Moslem community's position in India. Were this not true, our claims regarding the community's rights in the Punjab and Bengal, in the North-West Frontier Province and in Sind, would hardly have received the warm support given them by Moslems in territories as remote therefrom as Madras and the Central Provinces. And we assert most emphatically that the ratification of our claims in the next constitution is necessary also to the peace and, therefore, the general welfare of India, since the neglect of such an opportunity of giving them effect both peaceably and permanently can only introduce an era of suspicion and internecine strife in India at the very time when those evils are most to be deplored.

"We would even suggest that those who have honest doubts of the justice of our claims should consider whether their consciences would not suffer more from their bequest to India of enduring communal bitterness and strife than from the concession to 70,000,000 Moslems of a position a trifle stronger than that to which they may seem to be entitled by political logic.

"That we ourselves cannot thus depreciate our claims must be obvious from a study of the distribution of India's peoples. Our claims particularly concern Bengal, the Punjab, Sind, the Frontier Province and Baluchistan.

"In these Provinces the Moslems form the majority of the population, and in Sind, Baluchistan and the N. W. F. Province our majorities are great. But in Bengal and the Punjab there are very strong Hindu minorities. And though there is a considerable Moslem minority in the United Provinces, in all other parts of British India the Hindus are in a vast majority and inevitably enjoy complete political supremacy.

"The vast majority of the Indian Princes, moreover, are Hindus, and in the Federal India the Princes will be able to influence All-India affairs to an extent now impossible.

"We cannot, and will not, begrudge the Hindus such supremacy in places where they are plainly entitled to it and exercise it justly, if they in turn will concede the Moslems similar supremacy where the Moslems are entitled to it. But we must both begrudge and bitterly contest Hindu supremacy anywhere and everywhere in India, in the interests of our community at large, if we are denied our rights where those rights are incontestable.

"We could have allowed our claims to rest on these grounds alone had not the Hindus counter-claimed that in all discussions of the rights of the various communities the Hindus' superiority of education and wealth should be given marked consideration. It is news to us that popular constitutions are now-a-days based on considerations of accidental intellectuality and wealth and we hardly imagine that such arguments will prevail over the innate commonsense of the British public. But lest undue attention be paid to them anywhere we would set against them certain facts of which the Moslems in India are justly proud.

"(1) The number of Moslem soldiers serving in the Indian Army exceeds all proportion to the Moslem population of India. During the great War, the Indian Moslems made handsome response to the King-Emperor's call for troops, and their soldiers fought, under the greatest hardships, against co-religionists having affinities with them no less than against the German forces.

"Englishmen have often said that in the War the Punjab was 'bled white,' and the great majority of the Punjab troops were Moslems. So is the vast majority of the police, Militia and Frontier Constabulary who are charged with the protection of law and order in the North-West Frontier Province and of India's boundaries and Baluchistan, where they are constantly exposed to conflict with their kith and kin.

"(2) The Moslems took little part in the Congress campaign of 1930, save in the North-West Frontier Province where the 'Red Shirts' were regrettably duped into accepting the Congress banner for a struggle begun independently of Congress, and now ended in the triumph of justice over Congress intrigue. In the present Congress campaign, the Moslems have been openly hostile to the secessionists on more than one occasion, and fewer Moslems than ever before have been overtly sympathetic with their activities.

"To claim special consideration on this ground alone might seem to be priggish: but for our own part we assert that the Moslems' abstinence from Congress politics has been inspired not by hopes of gain therefrom—for bitter experience gives us a contrary lesson—but chiefly because they have equally nothing to gain from the substitution of a Hindu Congress despotism for the present regime, and they recognize that Congress politics only spell the economic ruin of India, Hindu and Moslem alike.

"(3) Not one of the "political" murders or attempts of murder committed in any of the Governors' Provinces throughout the last two years or more has been done by a Moslem. The three murderers of Mr. Saunders and Channan Singh in Lahore were Hindus. The murderers of Mr. Lowman, Col. Simpson, Mr. Garlick, Mr. Stevens, Mr. Peddie and Mr. Douglas were Hindus. So were the criminals who attempted the lives of the Governors of Bombay, the Punjab and Bengal, Mr. Villiers, Mr. Cassells and Sir Charles Tegart. All the suspects mentioned in connection with the attempt on Lord Irwin's life, the murderer of Mr. Peddie and a host of similar crimes have been Hindus. The Chittagong Raiders and Khan Bahadur Ahsanullah murderer were Hindus.

"A study of political agitation and crimes even during the period 1907 to 1917, when Moslem feeling was more than once aroused against the Government, shows that the proportion of Moslems to Hindus notoriously involved was about 1 in 30. Nor can we recall that a single "Moslem newspaper" ever returned a word of sympathy for any of the political murderers of the last two years, whereas the Hindu Congress Press for several months indulged in systematic glorification of every such criminal when he met his deserts.

"We recapitulate these well-known facts for the reasons already given, and for one other. We believe that if the alternative to British rule were the ubiquitous supremacy of Hindu rule, the mass of our Moslem brethren would prefer the former not only because of the safeguard offered by its impartiality, but also because under the alternative system there would be heinous strife between the virile and martial Moslem races and those many Hindus in whom the Congress Left-wing has sown the seed of insidious conspiracy and rebellion, blood-lust and lawlessness. But it is the purpose of His Majesty's Government to give India federal responsibility with an equitable and just distribution of power and some guarantee of stability, if the determination of the various committees' political rights is a matter of great complexity and delicacy, as we know it to be, and if the British people value the friendship of at least one fifth of the people of India, then we suggest that when the rival claims of the two great communities are weighed against one another, His Majesty's Government and the people should also weigh in the same scales the communities' relative merits of loyalty and stability as proved by the facts of recent Indian history."

THE AGA KHAN'S AMENDMENT

H. H. the Aga Khan, interviewed by "Reuter" in London with reference to the above Manifesto published in the "Times" stated that the Manifesto was sent to him recently with a request to arrange its publication in England in a form meeting with the Aga Khan's approval. He accordingly exercised his discretion in amending the text as published in England, but owing to a misunderstanding in the telegraphic messages the Manifesto was prematurely published in India before his views had been fully communicated. The only version for which the Aga Khan took responsibility was that published in the "Times" in which the strong attack against the Hindus had been eliminated. The Aga Khan emphatically disowned such sentiments while concurring with the Manifesto as a whole. The Aga Khan amended the offending message as follows:—

"It is well-known that Moslems have not participated in acts of political violence which have been so unhappily rife in Bengal, the Punjab and other Governors' provinces. The cult of revolutionary anarchy has never appealed to them successfully nor has the Moslem Press joined the Hindu Congress Press in a systematic glorification of political murderers when they met with the penalty for their crimes."

REPLY OF NATIONALIST MUSLIMS & JAMA'IT

The following statement in reply to the above Manifesto largely signed by Mahomedans was subsequently issued by the Members of the All India Jama'it Ulama and other Nationalist Mussalmans of India from New Delhi:—

"A lengthy statement purporting to be signed by some members of the Muslim Conference and emanating from Simla has recently appeared in the press. Another version of it, amended by His Highness the Aga Khan, appears to have been published

in England. We have the former statement before us. The signatories have couched their own views in languages calculated to mislead those who are unacquainted with the realities of the Indian situation in India and Abroad, into the false belief that these views are held by all the Musalmans of India. Had these worthies made it clear that they were ventilating their personal views and had they not exposed a majority of the Mussalman community to humiliation, we would not have taken the trouble to take any serious notice of the utterances, particularly at a time when the country is passing through a crisis and the public mind is exercised by matters of moment, such as the poignant ordeal of tens of thousands, nearly eighty five thousands of whom, men and women, old and young, educated and uneducated are languishing in prisons. We have been constrained by the extraordinary claims made by these gentlemen to issue this statement to reveal the true state of affairs to save the Indian Mussalmans from being lowered in the estimation of foreign nations and particularly the Mussalmans of the world.

It is natural that at a time when far reaching changes are imminent, India like other countries of the world should have groups and parties professing political aims, situated as it is by followers of various creeds. But it is possible to classify the various schools of thought, now in existence in India, along political or communal lines in the following manner:—

1. There are political groups among the Hindus, the Sikhs and the Moslems who lack confidence in their inherent strength and who hesitate to place any trust in the sense of justice and toleration in other communities. These groups are constantly engaged in putting forward their peculiar claims and do not hesitate to adopt unworthy methods of propaganda. They profess to be proud of ultra-loyal services to the British and without any sense of shame declare their willingness to remain permanently under British rule. They are past masters of vocal and written propaganda and hope to reach their goal by these devices.

2. The second category, into which certain members of almost every community may be grouped has for its aim the change of the present system of government by argument, persuasion and negotiation. They certainly stand on a higher level and demand a constitution that may satisfy all communities and make Indians masters in their home. While the field of the practical achievement of this group remains strictly limited, it sympathises with movements for the freedom of the country even when they are launched by those with whom it may not be in agreement as regards the method and manner of their achievement. Followers of this creed are in no ways less numerous among the Mussalmans than among the Hindus and the Sikhs. It may, however, be noted that neither of the two above mentioned groups wield any appreciable influence among the masses.

3. The third school of thought in every community has the fullest confidence in the inherent powers of the people and their followers form the bulk of the population. It aims at attaining Self-Government at the earliest opportunity and its principles include the following:—

(a) Interest of no class or community should be subordinated to the interests of any other and all should have the satisfaction of governing their country.

(b) Every community should have guarantees of protection of its political, religious, economic and cultural rights against every other community and should have assurance of freedom from domination by any community or country as well as from defence on any of them.

(c) The federal government should be fully responsible with freedom to determine India's relations with other countries, and the federating Provinces should be fully autonomous, the North-West Frontier Province being placed on the same footing as other Provinces.

(d) There should be a redistribution of Provinces on the principle of self-determination by people bound by ties of common language, culture and economic interests, such as the people of Sind, Orissa and other areas to which the above principle may apply.

(e) The cost of administration should be reduced to the minimum to suit the economic capacity of the country.

(f) The peasants and labourers should have their proportionate share in the government of the country.

The Indian National Congress also stands committed to these principles and counts amongst its adherent followers of this political creed among all communities whom for all intents and purposes it represents. Those who believe in non-violently resorting to direct action against the decision of an irremovable executive have in

their thousands courted sufferings, imprisonment in vindication of their rights and the number of Mussalmans who have acted in this way has not been considerably disproportionate.

The Mussalmans belonging to the last mentioned category claim that they have political distinction which is not shared by other communal groups placed in the same position. While a large enough number of them directly belonging to the Congress are consequently committed to the political creed of that body, there are others who while fully supporting the Indian National Congress have retained their distinct individuality. The All-India Jamait Ulama represents the last mentioned section and constituted as it is by Moslem theologians, it commands the allegiance of by far the largest bulk of the Moslem population of India, as evidenced by the overwhelming response which it has evoked from Indian Mussalmans from time to time and the latest demonstration of which was made on the 10th June throughout India. The Nationalist Moslems, the greatest majority of whom belong to the Congress, count among their adherents an influential section of Moslem intelligentsia. The Jamait Ulama-i-Hind, although a distinct organisation, has for its object the achievement of complete Independence, which it has practically pursued so far and which does not appear to have been the object of practical realisation for any other distinctly communal organisation in India. In the movement of 1930-31 a large number of the office-bearers and members of both the Jamait Ulama-i-Hind and the Nationalist Moslem party suffered imprisonment and no less than fourteen thousand Mussalmans went to jail, while some hundreds of them lost their lives. In the present movement also, thousands of Mussalmans have gone to jail, including some four hundred Ulamas, and a very considerable number of Frontier Mussalmans have lost their lives. It is claimed, not without justification, that the bulk of those Mussalmans who have participated in the present movement have done so in response to the call of the Jamait Ulama-i-Hind in support of the Congress movement.

This represents as close an analysis of the situation as is consistent with facts and it is hoped that it will help people in India and Abroad to form a more just view of the outlook of Indian Mussalmans. We are under no circumstances apprehensive of any aggressiveness on the part of any community under the constitution which we have outlined. In fact, we are convinced that justice would be easier of achievement under the new system and it would not be as hard as it is to-day to fight successfully against any injustice.

There now remains to be described but only one other type of men whose desperation, excessive zeal, and a partiality for Western revolutionary methods have led them to acts of violence. But we are aware of no party, political or otherwise, in the country that has not done every thing in its power to discourage it. The pulpit and the platform have been extensively availed of in pursuit of restraining influences, and under these circumstances it is nothing short of the deliberate mendacity to saddle the Congress with even the faintest sympathy with or toleration of crimes of violence. Before concluding we may also observe that it would be an insult to tens of thousands of Frontier Mussalmans to suggest that their participation in the present movement has been the result of any external influences and not of their deliberate decision.

One of the fruitful causes of mutual recrimination has been the failure to evolve a resolution of the communal problem. But we take this opportunity of informing those who are unaware of the fact that the Jamait-Ulama-i-Hind, the Moslem Nationalists and the Indian National Congress had evolved certain formulas which, if pooled together, would have secured the greatest measure of agreement between various parties, but before that object could be achieved Mahatma Gandhi had suddenly to go to the Round Table Conference and immediately after his return, he and other leaders of public opinion found themselves behind prison bars and the offensive which was launched against Congress organisations is still in progress. India has so far awaited the much talked of award by the British Government and we wonder if and when it comes it is likely to satisfy any one.

Finally, we earnestly assure all the communities in India and the people abroad that Indian Mussalmans as a community are next to none in their love of freedom or the will to live peacefully and harmoniously and to stand shoulder to shoulder with other fellow Indians in the task of leading the country to its highest destiny. Self-respect, self-reliance and faith in the progress of humanity are among the articles of their faith and they are convinced that they would serve Islam more faithfully by strict adherence to these principles.

THE HINDU POLITY

THE ALL INDIA HINDU YOUTHS' CONFERENCE

Presiding over the All-India Hindu Youths' Conference which was held at Karachi on the 7th May, **Bhai Parmanand** strongly criticised the Congress as an anti-Hindu body which could in no rounding way save Hindus from the dangers surrounding them. Hindu Sangathan alone could do so, and he appealed to the Hindu youths to make sacrifices for the noble and sacred cause.

Surveying the Hindu-Moslem problem which seemed to him unsolvable, he suggested a reference of the same to a Committee consisting of the Premiers of England and the Dominions for final settlement.

The speaker said that he did not deprecate Mr. Gandhi's attitude and tone in the Round Table Conference but passive resistance was not the thing which could produce the desired results, and the position assumed by Mr. Gandhi stiffened the British and made them more hostile towards the Hindus. The policy and attitude of the Congress leaders helped both directly and indirectly, to strengthen the Moslems and Hindus. The Congress made the Hindus fight the Government and in order to placate the Moslems yielded to their communal demands. The Moslems thus gained in two ways, firstly by keeping their alliance with the Government and secondly by getting the Hindus weakened.

Elaborating his views on the communal problem, Bhai Parmanand declared that Moslems really wanted a strong Moslem State within a weak National State. Sir Mahomed Iqbal, philosopher of Moslem communalism, in his speech at the All-Parties Moslem Conference in Lahore in March last reflected the inner working of the Moslem mind. Sir Mahomed Iqbal's plans supplied inspiration to Kashmir Moslems, while his friends were guiding the movement from behind the screen.

After quoting extensively from Sir Mahomed Iqbal's Lahore Conference speech, Bhai Parmanand concluded: "Having such overwhelming evidence before us, showing the impossibility of Hindu-Moslem unity under the circumstances, I cannot see any hope of success for the Congress cause in the near future. Foreign rule is no doubt an evil, but I believe that Hindus have to meet a more serious and a more immediate danger at home. The Hindu motto 'Live and Let Live', seems rather a meek ideal. The party which takes the offensive generally has advantage to its side, but I want you to realise this very clearly that, with the Moslems bent on aggrandisement, Hindus have no alternative but to look to themselves alone. The Congress has not got a remedy for the disease. Passive resistance and non-cooperation may be very sound and attractive methods, but for our immediate problem, they are of no use. In order to cope with the methods adopted by the Moslems, Hindu youths should assemble under the flag of Hindu Nationalism.

Resolutions—Separation of Sind

The Conference concluded its Session on the 9th May after adopting eleven resolutions. Professor Chablan, Dewan Bahadur Muralidhar, and Mr. Lalchand Navarlai, members of the Sind Conference also attended. The first two participated in the debate on the resolution opposing the separation of Sind.

The resolution *inter alia* emphasised that the Premier's announcement accepting in principle the separation of Sind if satisfactory means of financing it could be found, went beyond the terms of the resolution passed by the Round Table Conference in as much as it enabled the separationists to go back on the assurances given by the Chairman of the Sind Committee that if Sind could not stand on its own legs, separation would not take place.

The resolution finally urged His Majesty's Government to restore confidence in Hindus, and warned it that the Hindus of Sind were not prepared at this period of acute depression to stand any taxation for the purpose of separation, and requested His Majesty's Government to adhere strictly to the decision of the Round Table Conference as interpreted by the Chairman of the Sind Sub-Committee of the Round Table Conference.

Dr. Hingorani, President of the Karachi Hindu Maha Sabha, moving the resolution, made a vigorous speech, which was enthusiastically received. He accused the Government of partiality towards Muslims, and declared that in a separated Sind, not only Hindus but also the Government would suffer. If separation took place vigorous propaganda for boycott of Muslims would be carried on throughout Sind.

Professor Chabiani referred to the crushing burden which would be placed on the people of Separated Sind, which would remain a deficit province at least for 30 years. In addition to the present land revenue, the agriculturists would be charged 66 per cent extra, as the result of the Sukkur Barrage.

Dewan Bahadur Muralidhar observed that if Sind was separated Hindus would have either to go out of the Province or live in a backward condition.

The second resolution condemned the establishment of a statutory Muslim majority in a Hindu State through the Glancy Commission, at a time when the future Constitution of British India, as well as the Indian States, was under consideration. The resolution strongly supported the agitation against the Glancy Commission's recommendations and also condemned the "atrocities" committed on Hindus, and requested the Kashmir Government to punish the offenders and compensate the sufferers.

Other resolutions passed supported the agitation of the Hindu subjects in Bhopal and Hyderabad Deccan, asked the Hindu youths to take to industrial training and urged the establishment of a Sevadal with one lakh of Sevaks and with branches all over the country.

THE HINDU LEGISLATORS' MANIFESTO

The following manifesto on the Lahore Muslim Conference demands was issued from New Delhi on the 1st. April over the signatures of the Hindu members of the Central Legislature, such as, Hon. Mr. Ramsarandas, Raja Sir Motichand, Mr. Khaparde, Mr. Jagdish Chandra Banerji, Mr. D. K. Lahiri Choudhury, Bhai Parmanand, Mr. Harbilas Sarda, Mr. C. C. Biswas, Mr. Rameshwar Prasad Bagla, Mr. Ranga Aiyar, Mr. Amarnath Dutt, Mr. Bhupat Singh and others :—

"The communal problem, already sufficiently complex, has been made still more complicated and practically impossible of solution by agreement, on account of the fresh developments arising out of the All-Parties' Muslim Conference, Lahore, openly preaching that they have no faith in Nationalism, and that sentiments of patriotism do not really count. Moslem communalism has now reached a climax. Their demands are now expanded and the full list now includes separate electorates, preferential weightage, special representation in all branches of the public services, Imperial Provincial and local and on the railways, reservation of 50 per cent of the Army and reservation of seats in public and aided schools. There is also now a new proposal to enforce these demands by non-co-operation and direct action.

"The Muslims have, from the start, adhered to their fourteen points and have added to them, instead of yielding any point for the sake of compromise. Their standing description of the Hindu is that they are a majority community and they all regard themselves a minority community, needing all protection. Yet all over Northern India from Karachi to Delhi, they are in a majority, and also in Bengal. They complain that the Hindus are not considerate towards the Moslem minority and yet where they are in a majority as in the Punjab and Bengal, they insist upon securing the majority by statute. Where they are in a minority, they claim weightage and favoured representation while they deny the same to the Sikhs and other minorities. Now, they intend to extend communalism from the legislature to the administrative and public services and local bodies and the Army and Railways. What, in these circumstances, should be the position of the Hindus and indeed of all Nationalist Indians ?

"Hindus have throughout stood for joint electorates without claiming any weightage or reserved representation even when they are in a minority. The same is the position of the Sikhs. They all stand for pure and genuine democracy, undefiled by the devices of communal electorates and representation, for which there is no precedent or parallel in any civilised State in the world.

"Besides, separate representation will also involve the very difficult question of the quantum of such representation to be given to each community. The question will arise how it is to be determined. Justice demands that the contribution of a community to the coffers of the State should be the determining factor. Further, India has been promised by Parliament the immediate grant of Responsible Government and therefore no system of franchise is admissible which is incompatible with the constitution promised, such as grouping of voters on non-civic principles and separate water-tight or community-tight compartments, as the Prime Minister has aptly called them. Communal electorate and representation will give India only a form of communal Government and tyranny, and not a democratic or Dominion constitution which she has been striving and suffering to achieve and which England is pledged to grant.

"Nationalist India holds the Prime Minister to his famous speech on January, 1931, at the Commons, where he emphatically condemned communal electorate and all its off-shoots. Similarly, it holds the British Government and the Government of India to the Minorities Guarantee Treaties by which they are already bound as the members of the League. These treaties are described by Mr. Henderson, President of the Disarmament Conference, as "part of the public law of Europe and of the world." And neither the Government of India nor His Majesty's Government are at liberty to depart from those treaties and defy the League charged with their enforcement in twenty States of Europe. It would also be an unwarranted and impolite interference with international equipoise set up after so much anxious thought and deliberations, by the collective wisdom and statesmanship of the world in the interest of world peace and order. If they will apply these treaties to the Minority problem of India, a resolution will be, on the other hand, found which will secure to the Minorities all the protection which they are entitled to claim, and at the same time permit of the growth of harmonious and strong National Government of India.

"We, therefore, hope that the Government of India and his Majesty's Government will not ignore these international instruments of public peace. The Minorities' Guarantee Treaties and the stipulation of the League provide the only solution which is consistent and compatible with the constitution that India is out to achieve and England is pleased to grant."

Resolutions

Prior to the issuing of the above Manifesto, a meeting of the Hindu members of the Central Legislature met on the 1st. April and passed resolutions to the effect that the surrender of the Government to the Muslim demands as passed at the Lahore Conference would be tantamount to the expropriation of the rights of Hindus and would meet with bitter resistance at the hands of all Nationalist people of the Sikh and Hindu communities.

The meeting further viewed with apprehension the expediting of Reforms with Mr. Gandhi and other leaders in jail. The meeting urged the Government to release Mr. Gandhi with a view to enable him to take part in the discussions in connection with the R. T. C.

The meeting disapproved of the unconstitutional way in which the Government had decided to grant a subvention of one crore to the N. W. F. province and the allocation of seats in the legislature which would be beyond the population proportion and urged uniform allocation.

The meeting further took exception to the resolution of the Lahore conference regarding the Public Services and urged on the Government the need for an open competition.

The meeting placed on record its view that no constitution would be acceptable to Hindus and Sikhs which did not provide for complete Responsible Government and Dominion Status with or without Federation, provided the term of transition for safeguards was not more than 15 years.

The meeting demanded Indianisation of the Army within 30 years.

The meeting reiterated the faith of the Hindus and Sikhs that no form of communalism or separate electorates would help democratisation of the Government.

The meeting decided to appoint a deputation to wait on Col. Colvin, to represent the grievances of Hindus and Sikhs in the State and to deal justice to miscreants and compensate sufferers.

THE BENGAL HINDUS' MANIFESSO

The following Manifesto, signed by important members of the Bengal Legislative Council and Bengal Hindu Sabha, is of supreme political significance in view of the stiffened attitude of the Moslem community in the matter of communal settlement. The Manifesto was issued in April 1932.

"It is much to be regretted that communal differences could not be composed in India and a solution is to be found by the British Cabinet. It is probably in view of this that the Moslem communalists have recently stiffened their demands which now include not only separate electorates and separate representation and preferential weightage but statutory majorities in Bengal and the Punjab, where they form the majority of the population; special representation in the public services, Imperial, Provincial, Local and Railways; 50 per cent of the army officers; reserved representation even in statutory self-governing bodies, such as Municipalities and District and Local Boards; and reservation of seats in public and aided schools.

"These demands, if conceded, will mean the negation of democracy and representative government in India. We maintain that the claim of the Bengal Mussalmans are anti-national, selfish and not based on any principles of equity or justice. The claim for a statutory majority in Bengal, if conceded, will keep the Hindus in a perpetual state of inferiority and impotence and really aims at a form of communal government and tyranny. The statutory protection of a majority community is without precedent in any constitution in the world.

"The basis of their claims is their alleged political importance, and (in Bengal) their superiority in numbers and the difficulty which they apprehend they will experience in securing adequate representation without special protection.

"(a) We say that the Moslems of Bengal cannot claim any special political importance, as they are of the same race as the Hindus, and unlike the Moslems of some other provinces, they have never served as soldiers or done anything for the defence of the Empire, while the superiority of the Hindu community in educational qualifications and political fitness, their contribution to the growth of civic and political institutions and the record of their past services to the State in every branch of the administration are too well-known to need recapitulation. The achievement of the Hindu Bengalis stand foremost in the whole of India in the fields of Art, Literature and Science, whereas the Moslem community in Bengal has not so far produced a single name of all-India fame in these fields. Even in the learned professions such as Law, Medicine and Engineering the performance of this community has been disappointing. Political fitness cannot be divorced from the larger intellectual life of the Nation and in political fitness, the Mussalmans of Bengal are vastly inferior to the Hindus. Even if we leave aside the more responsible offices of the State, it is an admitted fact that in spite of specially lowered qualifying tests the Government have found difficulty in recruiting for their ministerial and subordinate services from the Moslem community.

"(b) Their claim for a predominant position in the future constitution solely on the ground of their growing numbers will not bear scrutiny. It is a fact that backward communities all over the world increase faster than communities comparatively more advanced, socially, economically and intellectually. The Hindus are no doubt a minority in Bengal, as at present constituted, but we cannot lose sight of the fact that many Bengalee-speaking districts with a predominantly Hindu population, now included in the Provinces of Bihar and Assam must come to Bengal, when the Province is, as it must be, reconstituted on linguistic and Ethnic basis. It is also a fact, as disclosed by the Census figures, that the Moslem majority is constituted mainly by children and by women who live segregated from the national life behind the Purdah. So far as the adult population is concerned, the Hindus are in a majority. Thus the Hindu minority in Bengal is more artificial than real.

"(c) Their apprehensions of not being able to secure adequate representation in spite of their superiority in numbers are really tantamount to an admission of their political unfitness, and to claim political predominance in the future constitution on the basis of present political backwardness, is illogical and absurd. It is the Hindus of Bengal who have always taken the leading part in the struggle for freedom and now that the priceless privilege of self-government is within our grasp, we cannot permit Mussalman communalists (whose contribution in the national

struggle has been negligible) so to maim and deform the scheme of government as to make it unrecognisable as a democratic constitution.

"4. Although a minority community we do not claim any special privileges or protection. While we fully realise the supreme importance of peace and good-will between the two communities, we are firmly convinced that this peace can never be attained till the vicious system of special electorates, which in working has been found to be disastrous to the public peace and to the growth of national solidarity in Bengal, is done away with and replaced by joint and national electorates. If the present communal electorates are continued they will poison the national life of Bengal and divide the two communities into warring camps. A very large section of progressive Mahomedans has already realised this danger and is now in favour of joint electorates. In our opinion a return to a joint electorate is a *sine qua non* to any scheme of political advance, as the grouping of voters in separate water-tight compartments on non-civic principles sins against the cardinal principles of democracy and renders the growth of parliamentary institutions on party lines difficult if not impossible of attainment.

"5. We are, however, with a view to allaying reasonable apprehensions of our Moslem brothers, not opposed to a reservation of seats for either community, but we can never consent to a modification of the existing allocation of seats under the Lucknow Pact (which after full consideration of all conflicting issues received the assent of both the communities) unless separate electorates are abolished. On no consideration, whatsoever, shall we agree to a statutory majority for either community.

"6. Opposed as we are to the continuance of separate electorates for the Provincial Council, we view with alarm the attempt of Moslem communalists to introduce the same vicious principle of communalism into self-governing local bodies and thus throttle the budding life of these institutions to which the stimulus of free emulation for brotherly service to the public has only recently given birth.

"7. While favouring that every just encouragement be given to Moslem Education by special endowments, scholarships etc., we view with alarm and apprehensions the attempt of the Moslem communalists to invade the sacred precincts of learning with their separatist and communal claims, and we are firmly opposed to the adoption of communal principles in any form, in any educational institutions from the University to the village school.

"8. We conclude by reiterating that while we fully realise the importance of harmonious relations between the two communities for the successful working of the future constitution, we are firmly of opinion that this concord can only be based on equity and justice and ought not to be purchased by conceding dominance to one community over the other, thus spelling disaster to the nation as a whole."

MR. RAMANAND CHATTERJEE'S VIEWS

MUSLIM CRITICISM EXAMINED

The following are extracts from Mr. Ramananda Chatterjee's article on "The Bengal Hindu Manifesto and Muslim Bengalis", which appeared in the June number of "The Modern Review":—

In the sphere of politics the first duty of all Indians, in whatever province they may live, is to try earnestly to win freedom for India by means and methods which appear to them legitimate and likely to lead to success. Next only to it in importance is the duty of all Indians to see justice done to the Province in which they dwell in the matter of the revenue assigned to it for its administration and in the number of seats allotted to it in the Central Legislature. In the Report of the Federal Finance Committee 1932, in the table of provincial forecasts, surpluses are shown only against the Punjab and U. P. and deficits against the other provinces—the biggest two crores being that of Bengal. Similarly, according to the Federal Structure Committee's allocation of seats to the British-Indian Provinces in the future Federal Legislature, injustice has been done to Madras, Bengal, U. P., and Bihar and Orissa. As this article relates to Bengal, I wish to point out that it is the duty of all Indians residing in Bengal, whatever their creed, caste or class, to combine in an earnest and persistent endeavour to obtain financial and representational justice for Bengal. Assuming, without

admitting, that there may be some political matters in which there may be differing Moslem and non-Moslem interests, in finance and representation injustice to Bengal will injure Moslem and non-Moslem alike, and justice will benefit both. Nay, as Moslem Bengalis have more leeway to make up than Hindu Bengalis in education, etc., injustice to Bengal hits them harder and justice will be of greater advantage to them. For this reason, communal controversies should, in the present circumstances, be avoided as much as possible. Holding this view, as I do, if I try to remove some misconceptions relating to the recent Bengal Hindu Manifesto, to which I was one of the signatories, I do so reluctantly from a sense of duty.

I regret that it should have been necessary to issue the Manifesto. But it was done neither thoughtlessly, nor owing to an exuberance of communal feeling, but, as was stated in the Manifesto itself, because, in view of the expected solution of the communal problem by the British cabinet, "the Moslem communalists have recently stiffened their demands" and it was felt necessary that the Hindu view should be known at this juncture. "The Mussalman" says that "the Muslim demands referred to in the Hindu Manifesto are not the demands of the entire Muslim community." The signatories to the Manifesto were aware of this fact, as their above-quoted words ("the Moslem communalists have stiffened their demands") show; they nowhere say that the Muslim demands they have criticised have emanated from the entire Mahomedan community; on the contrary, the Manifesto plainly states:

"A very large section of progressive Mahomedans have already realized this danger and are now in favour of joint electorates."

As for myself, I have written in the May number of "The Modern Review": "The proceedings of the last session of the Bengal Provincial Muslim League, under the presidency of Maulvi Mujibar Rahman, were marked by a commendable spirit of both democracy and nationalism. The speech of both the president and the secretary (Dr. Rafiuddin Ahmed) breathed that spirit. Joint electorates were supported at this session. The members were justified in asserting that they would not accept the reservation in the provincial legislature of any number of seats which was less than the proportion of the Muslims to the population of Bengal. At the same time, they did not demand that there should be in it a statutory majority for Muslims."

"The Mussalman" "challenges the signatories to the Manifesto to prove the "assertion" in it printed below.

"Even if we leave aside the more responsible offices of the State, it is an admitted fact that in spite of specially lowered qualifying tests the Government have found difficulty in recruiting for their ministerial and subordinate services from the Moslem community."

This "assertion" has two parts, namely, lowering of qualifying tests for Moslems and difficulty in recruiting officers from the Mahomedan community in spite of such lowering.

As in competitive examinations for some branches of the public service, it is the usual rule and practice to select some candidates for appointment from the Muslim and other "minority communities" who occupy lower places in order of merit than those who succeed in getting appointments by sheer ability, the Muslim and other "minority community" candidates thus often superseding the just claims of successful Hindu competitors higher in the list in order of merit, the fact that qualifying tests are thus practically lowered in order to recruit Muslim officers cannot be denied. That Muhammadans want this sort of lowering of qualifying test to be continued is proved by the resolution passed at the Lucknow Nationalist Muslim Conference under the presidency of Sir Ali Imam in April 1931, demanding "that all appointments shall be made by the Public Service Commission according to the minimum standard of efficiency, as also by that portion of Dr. Ansari's Bengal Nationalist Muslim Conference presidential address at Faridpur in June 1931 which demanded "that all appointments shall be made by a Public Service Commission according to a minimum standard of efficiency."

It is to be noted that posts in Government of India establishments are open to Muslim candidates from all parts of India.

It would not be impossible to multiply instances of special favour shown to Muslims. I will conclude this part of my observations by inviting the attention of "The Mussalman" to the following paragraph from the annual progress report on Forest Administration in the Presidency of Bengal for the year 1929-30.

"Twenty-two Muhammadan candidates were offered posts in the subordinate and ministerial services, of whom only 16 accepted appointments. Of these two only are still in service. Of the rest, one left without notice, 7 resigned and the service of 6 were dispensed with for unsatisfactory work."

There is no such paragraph regarding non-Muhammadan candidates.

I hope I have shown that the "assertion" contained in the manifesto which "The Mussalman" wrongly calls, "a perversion of the truth" is correct.

The Muslim journal next observes: "Attempts have been made in the manifesto to show that the Mussalmans are intellectually inferior to the Hindus and therefore they are unfit to carry on any administration."

After reading the above sentences, I have re-read the manifesto and tried to understand it. I do not find therein any attempt to show that the Mussalmans have an inherently inferior intellect. What it claims is "the superiority of the Hindu community in educational qualifications" and that the Hindus are "comparatively more advanced intellectually." That is mainly because the Muslim community has not taken as much advantage of modern educational facilities as the Hindus, and not because of the innate intellectual inferiority of the Muhammadans.

There is nowhere any attempt in the manifesto to show that the Mussalmans "are unfit to carry administration." The Muslim journal also states "that the manifesto has indirectly cast aspersions on the Muslim employees of the Government and thus to the whole Muslim community." How the manifesto has done this, I cannot understand as the manifesto nowhere even mentions "the Muslim employees of the Government."

As to who were predominant in the administration in Bengal when Persian was the court language," is quite an irrelevant question, as the manifesto is concerned with present conditions and has nowhere said that the Muslims always were and will be backward.

"The Mussalman" devotes a paragraph to the question of the character and extent of the Muslim majority in Bengal (as that province is at present constituted).

The manifesto admits that "the Hindus are no doubt a minority in Bengal, as at present constituted," but states that the if all the Bengali-speaking areas with a predominantly Hindu population, which naturally form part of Bengal and formerly formed part of the Bengal presidency, were included in Bengal as they ought to be, the Hindus or the non-Moslems would be in the majority in this province, and that thus "the Hindu minority in Bengal is more artificial than real." Thus "The Mussalman" does not dispute, nor does it dispute the fact that "the Moslem majority is constituted mainly by children and by women who live segregated from the national life behind the purdah." What it objects to and calls a "mis-statement" is the statement that "so far as the adult population is concerned, the Hindus are in a majority."

It is necessary to state that in the manifesto those persons have been taken to be adults who have completed 21 years of their lives or are above that age, on the tacit grounds that for political purposes the age of enfranchisement has been fixed at 21, that for the purpose of elections to local bodies the voting age has been fixed at 21, and that if a guardian be appointed by a Court or if an estate be taken charge of by the Court of Wards, 21 is taken to be the age of majority.

It is the "crude figures" of the Census Reports, as they are called in the Reports, that have been generally taken for calculating the number of the adult population. But these figures are inaccurate. The Census Report of Bengal for 1921, drawn up by Mr. W. H. Thompson, I.C.S., gives many reasons for considering them unreliable.

Mr. Thompson's previous observations show that, owing to Muslim backwardness in education in Bengal, the ages stated by Mahomedans are more inaccurate than those given by Hindus. This conclusion is supported by his observations in the chapter on Literacy in his Report.

And the Muslim population of Bengal consists largely of cultivators.

The greater inaccuracy of the age returns of Muslims due to their greater illiteracy, is proved also by the following observation of Mr. H. G. W. Meikle, F. F. A., Actuary to the Government of India, in his "Report on the Age Distribution and Rates of Mortality deduced from the Indian Census Returns of 1921 and previous enumerations," published in 1926 by the Government of India Central Publication Branch, Calcutta.

"It will be seen that generally the rates of mis-statement are greater amongst Muhammadans than amongst Hindus".

From the passages quoted above the reader will have perceived that the absolute accuracy regarding the numbers of adult Muslims and Hindus in Bengal is impossible to attain. Only relative accuracy, perhaps amounting to moral certainty is attainable.

I have thus far dealt with that Muslim criticism of the Hindu Manifesto which is worthy of the most serious consideration. Besides what "The Mussalman" has written I have read some letters of Muslim critics published in some dailies. I shall deal with such points in them as deserve notice and as have not been already disposed of in course of my reply to the Muslim paper. I shall not notice any criticism of things which the manifesto does not contain.

Mr. A. K. Fazlul Huq writes: "The Manifesto says that any provision like statutory majority is unknown in politics. But in India most things are extraordinary. Violent disorders require violent remedies; and it is but common knowledge that the selfishness with which the majority of the caste Hindus utilise every opportunity to (mis) appropriate everything in contemptuous disregard of the just dues of others, is unparalleled in the history of any race or community in any age or clime. Witness the Calcutta Corporation and local bodies in West Bengal, leave alone other instances, too numerous to mention."

Mr. Fazlul Huq admits by implication that "statutory majority is unknown in politics." But he suggests that it is necessary in India, because here "most things are extraordinary", "violent disorder" being one of the them. Now in the past history of many countries and, what is more to the point in their contemporary history, too numerous examples of disorders, more violent than even the engineered communal conflicts in India, are to be found. But nowhere has a remedy for them been sought to be found in "statutory majority."

Mr. Huq knows perhaps that declamation is not demonstration. He must prove but has not proved that the present-day "Caste-Hindus" are more selfish than the socially privileged classes of other climes, races and ages. But assuming without admitting that his allegation is true, he will not be able to prove that "statutory majority" has been anywhere applied, successfully, as its remedy.

My article has already grown too long. So I will not mention many examples of class, caste or communal selfishness in many lands, but will merely mention the treatment which the Jews, the Roman Catholics and the Non-conformists received in England giving the following details, from the Chambers' Encyclopaedia, of how only the Catholics were treated.

"As late as 1780 the law of England—which was actually enforced in 1764-65—made it a felony in a foreign Roman Catholic priest, and high treason in one who was a native of the kingdom, to teach the doctrines or perform divine service according to the rites of his church. Catholics were debarred from acquiring land by purchase. Persons educated abroad in the Catholic faith were declared incapable of succeeding to real property and their estates were forfeited to the next Protestant heir. A son or other nearest relation being a Protestant, was empowered to take possession of the estate of his Catholic father or other kinsman during his life. A Catholic was disqualified from undertaking the guardianship even of Catholic children. Catholics were excluded from the legal profession and it was presumed that a Protestant lawyer who married a Catholic had adopted the faith of his wife. Such was the state of the law, not only in England but in Ireland, where the large majority of the population adhered to the old faith."

In spite of such a state of things, the British people—who are now 'so keen on separate electorate, "weightage", reserved seats and other "safeguards" for "majority communities" in British India, where the Muslims are not discriminated against as the Catholics were in England—never gave these things to their own Catholics; nor did they give the Irish Catholic majority in Ireland a statutory majority.

Mr. Shamsuddin Ahmed refers to "the unstinted and unqualified support which the signatories (to the Hindu Manifesto) have given to the Lucknow Pact." I am afraid he has misunderstood the Hindu attitude towards that Pact. The Hindus want to scrap the whole thing—separate electorates as well as reserved seats. But they cannot agree to the Muslims choosing to keep one part of the Pact, viz, separate electorates, and modifying the other part, namely, the reservation of seats, by increasing their number, to the extent of more than half of the whole. The Hindus agreed to the Pact as a whole as a makeshift. So did the Muslims. If any change is to be made, both parties must again agree. The Hindus and the Nationalist Muslims have agreed that there should be joint electorates and no reservation of seats.

The All India Depressed Classes Congress

The second session of the All-India Depressed Classes Congress commenced at Kamptee on the 7th. May 1932 under the presidentship of **Rai Sahib Muniswami Pillai**.

As anticipated, the holding of the Congress was the cause of some trouble. In the morning, when Dr. Ambedkar arrived from Bombay, he was accorded a reception by his supporters, while a small group favouring joint electorates, gathered at the Nagpur Railway Station, to make a black-flag demonstration against him. This was the signal for trouble. The black-flags were set upon, and Mr. Thaware, one of the staunchest supporters of the Raja-Moonje Pact, had his lip cut open by a soda-water bottle hurled at him and a friend of his Mr. Mate, is alleged to have had his hand injured by a knife. Messrs. Mate, Corghate and four others of the Rajah Group were taken into police custody, and removed from the Railway Station.

There was an unpleasant incident just before the Congress opened in the evening. Mr. Hardas, Chairman of the Reception Committee, had just begun reading his welcome address, when Messrs. Rajbhoj and Patil, two delegates from Poona, challenged the legality and representative character of the Congress. Half a dozen volunteers immediately fell upon them, and Mr. Rajbhoj was hauled very roughly.

Mr. Shakhare, Vice-President of the Reception Committee, and the City Magistrate of Nagpur who was present at the spot, both came to Mr. Rajbhoj's rescue and led him and his two friends off the pandal. Mr. Rajbhoj had to be taken to the hospital. The Congress was scrupulously boycotted by the supporters of the Raja Moonje Pact.

The Congress had attracted about thirty delegates from outside Nagpur, four coming from Bengal, five from the Punjab, seven from the United Provinces, four each from Bombay and Madras, and one from Behar. Nearly 1,500 Mahars of Nagpur and Kamptee and nearly 200 ladies were present.

Both the Empress and the Model Mills were picketed and a large number of labourers absented themselves to attend the Congress.

Mr. Hardas, in his welcome address, said that the National Congress was trying to mislead the Depressed Classes and harm their interests and its sister organisation—the Hindu Mahasabha—had virtually declared a war against them. "We have to deal with them very cautiously" he declared, and added: "Joint electorates would amount to ruination of the Depressed Classes. We cannot in any circumstances accept joint electorates."

The Presidential Address

Rao Sahib Muniswami Pillai, in the course of his presidential address observed:—The Mahomedans and the Depressed Classes each form nearly a fifth of the total population of India, and each is entitled to an equal number of representatives at the Conference. Considerations of fairplay demand that the weaker of the two should receive greater protection and special attention, but here in this case the weaker has not received, not only any preferential treatment, but even the semblance of justice. For the first Round Table Conference the Muslim delegation was allowed to be led by such a gigantic personality as H. H. the Aga Khan with all the afforded facilities of being supported on all sides by a powerful galaxy of thirteen leaders of recognised ability, while the most equal number of Depressed Classes were left to be represented by Dr. Ambedkar with but one colleague to assist him. Our feelings over this matter were brought to the notice of the Government through a resolution passed at the All-India Depressed Classes Leaders' Conference held in Bombay on the 19th April 1931, but, instead of doing us common justice, the Government only added insult to injury. For the Second Round Table Conference, the Government invited nearly ten communal Muslims without their openly asking for it and additional representation was allowed to almost all other interests, but the strong claims of the Depressed Classes were most contemptuously ignored. We are told that our Government's sense of justice is exemplary and that their anxiety for fairplay is one of their chief virtues. I should like to know if this action of

the Government in denying to a most oppressed community the means of presenting its case exhaustively to the Round Table Conference through a sufficient number of representatives is an example of this much advertised British justice.

You are all aware that at the Round Table Conference the claims of the Depressed Classes were most vehemently opposed by the representatives of the caste-Hindus. They claimed that the Congress and Mr. Gandhi represented the Depressed Classes more than Dr. Ambedkar and asserted that the majority of the Depressed Classes were opposed to special protection and special representation. When this most preposterous claim and most unwarranted and mischievous assertion of the Congress was challenged by Dr. Ambedkar, what was it that the Congressmen did in this country? They got hold of a few hirelings and dupes here and there, formed mushroom associations and through these persons who have neither any stake in society nor any following in the community, messages were sent to England expressing lack of confidence in Dr. Ambedkar. And these messages were printed in big letters by the Nationalist Press and wide publicity given to them.

DEPRESSED CLASSES AND POLITICAL PROGRESS

The Depressed Classes have been accused of treason against the political progress of India. I may tell our critics very plainly that the Depressed Classes are not at all opposed to the political freedom of India. In common with every other community the Depressed Classes too admit that every nation has the unquestioned right to rule itself and that it is not open to any other nation to keep another in subjugation. What we are opposed to is that kind of political freedom now demanded by our countrymen, namely, a political freedom which gives the majority communities facilities to oppress the Depressed Classes unquestioned and unresisted by others. All right-minded persons are agreed that a constitution giving the Depressed Classes the right to share political power is the one required, and it is for this right to share political power that we want special representation in the legislatures according to the strength of our population.

Now this question of special representation has assumed two important aspects. One is the theory of the Congress and orthodox communal Hindus that the Depressed Classes are all Hindus, that they form an integral and inseparable part of the Hindu Community, and that they should not be separated from the Hindu society in the field of politics. They, therefore contend that special representation will keep them away from the rest of the Hindus for ever and as such they should not be allowed special representation in the legislatures. The other is as to what should be the nature of the electorate if special representation is to be allowed. I shall now try to analyse the arguments of our opponents on these two points. With regard to the first, the most important thing is the attitude of Mr. Gandhi at the Round Table Conference. On the 17th September 1931, he told the Round Table Conference that the Congress had reconciled itself to the Hindu-Muslim-Sikh tangle. There were sound historical reasons for it. But the Congress would not extend that doctrine in any shape or form.

Mr. Gandhi had the temerity to declare before the Round Table Conference, that "those who speak of the political rights of the untouchables, do not know how Indian society is to-day constructed." I am glad that, in spite of Mr. Gandhi's claims to know everything, there have been men like Sir Tej Bahadur Sapru, Mr. N. M. Joshi and others who could understand things as we find them. These are the words of Mr. Joshi: "I was very sorry yesterday to hear from Mahatma Gandhi that though he was willing to recognise the claims of the Muslims and the Sikhs for special constituencies, he was not willing to concede that facility to the Depressed Classes." It was rather a shock to me to find that the Indian National Congress and Mahatma Gandhi should recognise the historical importance of conquest which is the historical importance of the Muslim and the Sikh communities, while they should not recognise the historical importance of oppression. The Depressed Classes have been an oppressed class for centuries in India and this historical fact should not be ignored by any one. I feel, Lord Chancellor, that if there is any class in India, which requires special representation and protection, it is the untouchables or the Depressed Classes. Whatever this conference and this committee may do as regards special representation, if you really want to be fair and just you cannot ignore the claims of the Depressed Classes to be treated as a special class." And Sir T. B. Sapru gave expression to his strong views in the following significant words: "I say, I have a strong and unshaken belief that no constitution that you may devise has any chance of success in India unless the position of the Minorities is complete-

ly and adequately safeguarded. With the desire of the Minorities—and in that term I would particularly include the Depressed Classes—to seek the protection of their interests I have completely associated myself, and I see absolutely no reason why there should be on the part of men who hold my views and convictions any weakening in that respect.” We are immensely grateful to these leaders for the most honest and courageous support they gave to our cause, and hope that His majesty’s Government will give due weight to them in dealing with the question.

THE MINORITIES PACT

It was some consolation to us that in spite of the opposition of the communal Hindus our demands were supported by the Muslims and other minorities. All honour to them for this. Those feelings of fellowship and comradeship that guided the negotiations of the minorities in the Round Table Conference have given rise to the famous document known as the Minorities Pact. This pact, when we realise the principles embodied therein, is found to be based on considerations of justice and fairplay to all. This pact has been opposed by the Caste Hindus and we are not surprised at the opposition. A few members of the Depressed Classes have of late been opposing this pact on the ground that it constitutes an injustice to the Depressed Classes of certain provinces. I am unable to agree with them. I hope that all right-thinking members of our community will whole-heartedly support this pact as a document containing the minimum demands of the Depressed Classes.

Having admitted the necessity of special representation for the depressed classes the next thing we have to consider, as I said before, is the nature of the electorates. Our emphatic view to-day is that for some time to come we must have what is called separate electorates, according to which the right of electing the representatives of the depressed classes is confined to the voters of our own community. In case the legislatures of the country are to contain certain seats reserved for the depressed classes, the look-out of the Caste-Hindus is by what means the elections can be influenced so that these seats might be held by persons who will play to their tunes. The ingenious politicians among the Caste-Hindus find that this can be done easily if the overwhelming majority of the Caste-Hindus are allowed the right to vote in the election of the members of the depressed classes and so they are clamouring for joint electorates for the depressed classes. I do not want to tax your patience by enumerating all the artificial arguments of the Caste-Hindus in this matter and supplying counter-arguments for them. Separate representation by reservation in joint electorates is a system which contains the pernicious element of patronage and inevitably deprives the depressed classes of true and untrammelled representation. In a truly democratic system, there is no place for such a device and that it should be adopted is an admission that the electorates will, for many years to come, be dominated by communal considerations alone and that no minority candidate can ordinarily expect to secure election in competition with a majority candidate. The device of reservation merely places the minority communities at the mercy of the majority and ensures that the minority representatives shall ordinarily be such as are most pleasing to the majority. Separate electorate is a simple and straightforward method and it gives the minority communities an opportunity to choose the candidate who will most fairly represent them.

“EVILS OF JOINT ELECTORATE”

The evils of joint electorates are multiplied in an extended electorate such as the one proposed to be introduced. Such an electorate contains a vast majority of uncultured voters who are mostly guided by local considerations. It is impossible for a social reformer to be returned by such an electorate and it is idle to suppose that such an electorate will ever return a member of the depressed classes who will try to save his people from the oppressive shackles of the vested interests of the caste Hindus. Under the Government of India Act of 1919 the depressed classes are allowed representation by nomination. It is an open fact that under the influence of highly educated Caste Hindus the ablest members of the community are outside the council. In most cases persons who do not understand the fundamentals of politics are nominated. If educated Caste-Hindus were guilty of spoiling the true representation of the depressed classes, how can we say that we will get the right type of men, when the right of choosing these representatives is practically placed in the hands of thousands of narrow minded caste Hindus? As in the case of special representation the opposition to separate electorates chiefly comes from the majority community and it is not difficult to find out that this opposition is mainly in their

own interests. As pointed out by Dr. Ambedkar, it is not worth wasting any time over the Moonjee-Rajah Pact and I would not have myself cared to trouble myself about it had it not been for the fact that Mr. Rajah is supposed to be our representative in the Imperial legislature of the country and that the Nationalist Press and our political opponents have tried to make out that the pact is an authoritative document concerning the depressed classes. If now Mr. Rajah thinks that separate electorates are injurious to the interests of the depressed classes and if our political opponents are going to make capital out of it, it is worth while to examine whether Rao Bahadur Rajah is to be taken seriously in his present utterances. I have to point out, for the information of all concerned including the members of the Round Table Conference and the British Parliament that if at all India has seen a most unyielding and uncompromising member of the depressed classes in the matter of demanding separate electorate for the community, it is Mr. M. C. Rajah and if at all the demand for joint electorates was repudiated with a vengeance by any body it was by Mr. Rajah himself.

In this connection I wish to congratulate my friend Dr. Ambedkar on his bold stand at the Round Table Conference when he demanded separate electorates for the depressed classes. Though Dr. Ambedkar is individually wedded to the system of joint electorates with reservation of seats coupled with adult franchise, he, in obedience to the demands of the depressed classes advocated in the unequivocal language the system of separate electorates for them. I also take this occasion to thank all those depressed classes throughout India that sent cables to London strengthening the hands of Dr. Ambedkar as against Mr. Gandhi. There were a few cables, one from Benares, and one from Delhi, one from Ahmedabad and two from Bombay repudiating Dr. Ambedkar's claim to represent the depressed classes and supporting Mr. Gandhi. We all know what these cables are and how they are manufactured. In consideration of our separate interest, our numerical strength, our political importance and our undoubted disabilities, we press our rights as a distinct community to elective representation on the legislatures by means of separate electorates.

"It will not be good for us to stand aloof and look at the controversy between the Hindus and the Muslims as if it did not concern us. We should join hands with other communities like the Muslims, Anglo-Indians and Indian Christians and lodge our protest against a joint electorate which while it smoothes the dreams of a national unity where no unity exists is sure to be used by the communally-minded but the nationally speaking Hindu majority for securing political power with which they could oppress the weak and backward minorities."

Our opponents may say that the President of the so-called All-India Depressed Classes' Association has written to the Prime Minister asking His Majesty's Government to note the fact that the depressed classes do not demand separate electorates with the Hindus. But let them remember that his pact with the President of the Hindu Mahasabha has been repudiated by the depressed classes all over the country and that he had no sanction even from the members of his own party to enter into such a pact. If he thinks that by styling himself as the President of an All-India organisation of the Depressed Classes he can, at his own will, talk anything he likes in the name of the depressed classes of India, I may tell His Majesty's Government that his Association is only a paper Association containing only office-bearers, but no members in Madras. There are ten members of the depressed classes sitting in the Madras Legislative Council. Not one of them is connected with this high sounding All-India Depressed Classes Association. None of them is connected with his All-India Adi-Dravida Mahajana Sabha, and none of them is connected with his South India Depressed Classes Federation. Most of the leaders of the public opinion of the community and most of the district organisations of the depressed classes in the Madras Presidency are not with him. I understand that the same is the case with other provinces too. This is the representative nature of his Association and himself and yet he has had the temerity to write to the Prime Minister "to note that the depressed classes do not demand separate electorates."

It has often been said that the future of the depressed classes in the country is very safe and Mahatma Gandhi himself is the guarantee for it. But let us not forget that India has had many Mahatmas in the past and all those Mahatmas said that in the eyes of God all men are equal and untouchability must go. In spite of all these Mahatmas and all their teachings untouchability has not been reduced by a jot and the depressed classes are where they were. They are still untouchables, unapproachables and unseeables. Mahatmas have not been able to save us in th

past and Mahatmas will not save ourselves effectively by any means other than by getting sufficient political power in our hands, so that we can assert ourselves and make oppression impossible. It is for this purpose that we want representation in the Councils proportionate to our population; and we have to get it at any cost. There is a tendency in certain Provincial Governments and in the Government of India to undervalue our legitimate rights in this respect, and thereby block the path of our happy progress. I may warn them against the dangers of this policy. We are glad that His Majesty's Government have made up their minds to give a temporary decision on the Minorities problem. Our minimum demands are contained in the Minorities Pact. If in the settlement of the Minorities question, the offer of the Government goes short of our legitimate demands then I will not be surprised if we refuse to be a party to the introduction of any reforms at all. I have to express great admiration for the courageous policy of Mr Ramsay MacDonald in dealing with the Minorities question. This is a matter which requires great strength of mind. Happily for us Lord Lothian has personally seen much of our problems and let us hope that His Majesty's Government will do us complete justice on the lines of the Minorities Party.

RESOLUTIONS PASSED

The Congress terminated on the next day, the 8th. May. The Congress adopted a dozen resolutions one of which supported the Minorities Pact and another emphatically repudiated the Rajah-Moonje Pact.

To-day's session was attended by a dozen men from the Rajah group who wanted to oppose both these resolutions. On each occasion there was an uproar and a minor scuffle, but the police promptly checked further spread of trouble.

Mr. Khandekar and his friends who wanted to speak against these resolutions were not permitted to do so, but were asked to record their votes. Mr. Khandekar and his party left the pandal before the meeting was over.

The conveners of the Congress and Dr. Ambedkar himself attempted last night (7th. May) to persuade Messrs. Gavai, Thaware, Khandekar, Gorgate and other leaders of the opposition to come and take part in the Subjects Committee deliberations, but the attempts proved futile, the oppositionists maintaining that their organization, namely, the All India Depressed Classes Association, had not given them the necessary sanction to attend the Kamptee Congress. In view of this "non-co-operating attitude" the conveners of the Congress decided not to give Mr. Khandekar and his friends any opportunity to address the open session to-day. All the twelve resolutions were therefore adopted without opposition.

Resolution supporting the Round Table Conference Minorities Pact was moved by Mr. Mallick from Bengal, and comprised several clauses stating *inter alia* that the Minorities Pact contained the irreducible minimum of the demands of the Depressed Classes, who retained their right to any action they deemed fit in case the demands, as embodied in the Pact, were not granted to the extent and in the manner specified therein.

The Government was also warned to use caution in accepting estimates regarding the numerical strength of the Depressed Classes, in view of the fact that Caste Hindus were making frantic efforts to reduce the number of Depressed Classes in order to deprive them of their due share of representation in the legislatures. The resolution was supported by Mrs. Ogale.

The Congress adopted several resolutions, strongly condemning the terrorist movement, particularly the dastardly outrage on the life of the Midnapore Magistrate, as also the Civil Disobedience Movement.

The Congress expressed great appreciation of the services rendered by Dr. Ambedkar and Rao Bahadur Srinivasan at the London Round Table Conference for the Depressed Classes, and emphatically protested against the inadequate representation given to the Depressed Classes at the Round Table Conference.

The Congress also urged that the Depressed Classes should have representation on a population basis in all local bodies and that adequate funds should be set apart in the Central Budget for the promotion of higher education among them.

THE RAJAH-MONJEE PACT

MR. RAJAH'S LETTER TO THE PREMIER

In a letter to the Prime Minister, Mr. Ramsay MacDonald, issued to the press from New Delhi on the 21st. March, Rao Bahadur M. C. Rajah declared that even his proposal for joint electorate with reservation of seats is a temporary expedient till his community which was an integral part of the Hindu society was able to stand on its leg. The letter of Mr. Rajah ran :—

"I have great pleasure in confirming the wire sent jointly by myself as the President of the Depressed Classes Association and Dr. B. S. Moonje, President of the All-India Hindu Mahasabha. The wire was as follows :—

"Regarding the demand for separate electorates by Dr. Ambedkar, the Working Committee of the All-India Depressed Classes Association has unanimously decided in favour of joint electorates with the Hindus, with reservation of seats on a population basis. Complete agreement now prevails between the Depressed Classes Association and the Hindu Mahasabha. Letter follows."

The All-India Depressed Classes Association is the only Central Organisation of the Depressed Classes. It was established in 1925. Ever since the Association has been holding annual sessions at various centres in India laying down the policy on behalf of the Depressed Classes for the whole of India. I am its President and I have had the honour of presiding over its Conferences in 1925, 1926 and 1931. I was invited to serve on the Committee of the Indian Legislature, known as the Indian Central Committee to co-operate with the Indian Statutory Commission in 1928. I was a member of the Madras Legislative Council from 1919 till 1926 and from 1927 I have been a member of the Indian Legislative Assembly representing the Depressed Classes.

The Hindu Mahasabha is the organised body of the Hindus taken as a whole representing them in matters like removal of "untouchability" and the social and religious relations of the Hindus with the Depressed Classes of the community. Dr. B. S. Moonje is the President of the Mahasabha. He was a member of the Central Provinces Legislative Council from 1923 to 1926. In 1926 he became a member of the Indian Legislative Assembly which position he held till 1930. He is a member of the Round Table Conference. He had the honour of presiding over the Conference of the Hindu Mahasabha in 1926; and since then he has been elected its working President every year.

I pointed out in my note appended to the report of the Indian Central Committee in September 1929, that the peaceful progress of the untouchable classes is the *sine qua non* of the orderly development of Indian nationalism and that paradoxical as it may sound the aim of the Depressed Classes and those working for their uplift is the abolition of their distinction so that they should become one with the Hindu society—an indistinguishable part of that body. Individual social reformers were ploughing their lonely furrows, and it was only when a growing interest was taken by the people in the politics of the country that the desire for reforms became general and insistent.

Now the Hindu Mahasabha for the first time in the social and constitutional history of India has officially invited the All India Depressed Classes Association to join with them to work on a common platform and to do away with the curse of "untouchability." This I cannot but consider as an earnest attempt on the part of the caste Hindus to remove the bane of "untouchability" from among the Hindus.

At this juncture to refuse the hand of fraternity extended to the Depressed Classes by our co-religionists the caste-Hindus will not be conducive to a healthy growth of my community whose evolution to a footing of equality is the be-all and end-all of our ambitions and activities.

The invitation of the Hindu Mahasabha is a happy sign, and it is in consonance with the resolutions passed in their Conference in Jubbulpore in April 1928 which clearly shows an indication of an awakening of the Hindu social conscience.

In the circumstances, I find that a ray of hope of our assimilation into the main body of the Hindus is appearing in the political horizon of the country and I fervently hope and trust that the realisation of this ideal is not very distant. To stand in the way of realisation of this, our cherished goal, will not only be impolitic but also suicidal on our part.

Moreover, I feel that other Minority Communities desire to strengthen their

separate interests by taking advantage of the backward condition of the Depressed Classes, and persuading them to adopt a course which will lead to permanent division and prevent the growth of any feeling of political as well as social oneness and solidarity amongst the Hindus.

As the forces of democracy in India are proceeding with rapid strides and as ere long full Provincial Autonomy will be in full swing, every community in the country has to adjust itself to the rapidly changing circumstances. The demand for separate electorates for the Depressed Classes was made at a time when it was expected that there would still be a tutelary period and that the Government would continue as the special protector of the Minority interests as heretofore. If the entire Government in the provinces is to be made responsible to the Legislature, a small minority like the Depressed Classes, should it cling to its separateness, will have to be permanently in the opposition. In the case of Muslims, the fact that they constitute an effective percentage makes it impossible for them to be ignored altogether, whereas a combination between the Caste Hindus and the Muslims will for ever prevent any minority like ours from being able to get any share of the political power. This fear is strengthened by the fact that in daily life the Muslims treat the Untouchables as badly as the Hindus.

Besides, the representatives of the Minority Communities will have opportunities for service only when they merge themselves in a common electorate and subscribe to a common political view.

The two Associations, that is, the All-India Depressed Classes Association on the one side and the All-India Hindu Mahasabha on the other, having come to understanding on the basis of Joint Electorates with reserved seats according to their proportion of population, there ought to be no question now of granting Separate Electorates for the Depressed Classes. The Depressed Classes have now come to know that under the so-called Minorities Pact that was made in London, they cannot get their full share of seats in the Legislatures in proportion to their number in the population; while under the system of Joint Electorates, they not only get their full reservation, but obtain also the right of contesting additional seats and also of powerfully influencing the entire Hindu elections, thereby giving an additional impetus to the removal of "untouchability."

An analysis of the figures in the annexure contained in the Minority Pact referred to above, relating to seats ear-marked in the various provinces for the Depressed Classes, shows that Dr. Ambedkar and Rao Bahadur Srinivasan have taken weightage for themselves and ignored the right of the Depressed Classes in the Provinces of the Punjab, Bengal, Central Provinces and United Provinces. This arrangement with the Hindu Mahasabha rectifies this discrimination, and does equal justice to the Depressed Classes all over India.

I take this opportunity to make it clear that even this proposal of reservation of seats is merely of the nature of a temporary expedient. I hope and believe that, in view of the present awakening in my community, they will soon realise their inherent strength and will be able to stand on their legs, rubbing shoulders in healthy competition with other sections of the Hindu Society of which we are, as I have said above, quite an integral part.

In this connection I may mention that when the late Mr. Montagu came out to India the demand of the Non-Brahmins of the Madras Presidency was for Separate Electorates, but they were given reservation of seats in joint electorates. To-day however they do not stand in need of this protection. I have no doubt a similar experiment in our case also will lead to healthy development.

I have, therefore, to request you to note the fact that the Depressed Classes do not demand separate electorates, but want joint electorates with the Hindus and reservation of seats on a population basis."

MR. RAJAH'S STATEMENT TO HIS COMMUNITY

The following statement was issued by Rao Bahadur M. C. Rajah to the members of his community in April 1932 :—

You must have heard about the Round Table Conference Minority Pact, being provisions for a settlement of the communal problem put forward jointly by Muslims, Depressed Classes, Anglo-Indians, Europeans and an Indian Christian member of the Conference. Most of you have perhaps not seen it, much less studied it. This

pact is based on separate electorates for the communities mentioned above. It contains an annexure which prescribes the number of seats ear-marked for these communities; and in para 9 of this pact, it is stated that the Minority communities shall have not less than the proportion set forth in the annexure.

Rao Bahadur Srinivasan who is also a party to this pact, in his speech at the Second Plenary Meeting of the Second Session of the Round Table Conference on 30th. November 1931, while supporting this pact, said :

"Sir, let me take the question of the number of seats we have demanded. In regard to this matter that we all know, there have been two opposing views.

"The Congress view is that no minority should get more than its population ratio. The minority view is that there must be weightage over and above the population basis. Now in the proposals in the minority pact submitted to the Minorities Committee what is the representation we have claimed. In Assam, Behar and Orissa our representation just approaches our population ratio. In Bengal, we have given up 8 per cent, in Central Provinces 4 per cent, in Punjab 3.5 per cent, and in United Provinces 6.4 per cent from our population ratio of representation. In the Central Legislature we have given up in the Upper Chamber 50 per cent and in the Lower Chamber 25 per cent from what we would be entitled to do on the basis population. It will thus be seen that we have not taken full benefit even of the accepted principle that the representation shall be accorded to population.

"True we have claimed weightage in Bombay and Madras because the circumstances of these two Provinces make such weightage an absolute necessity. But even here we have not claimed the same weightage as the Muslims nor has our weightage reduced the position of the caste Hindus."

From the above it is obvious (1) that the Congress view is that no minority should get more than its population ratio; (2) that the Minority view is that there must be weightage over and above the population basis; (3) that Dr. Ambedkar and Mr. Srinivasan have not taken full advantage even of the accepted principle that the representation shall be according to the proportion of population.

For the benefit of the public let me reproduce the annexure to this Round Table Conference Minority pact :

Representation in Legislature for Depressed Classes and Muslims according to the Round Table Conference Minority Pact.

Legislatures	Strength of Chamber	Depressed Classes' seats.	Muslims' seats
CENTRE			
All-India		19*	21.5*
Upper	200	20	67
Lower	300	45	100
Assam	100	(13.4) 13	(34.8) 35
Bengal	200	(24.7) 35	(54.9) 102
Behar & Orissa	100	(14.5) 14	(11.3) 25
Bombay	200	(8) 28	(20) 66
Central Provinces	100	(23.7) 20	(4.4) 15
Madras	200	(15.1) 40	(3.7) 14
Punjab	100	(13.5) 10	(56.5) 51
United Provinces	100	(26.4) 20	(14.8) 30

AN "UNAUTHORISED PACT"

From an analysis of the figures in the above annexures, which is a part and parcel of the R. T. C. Minority Pact, it is evident that these two depressed classes

Note :—Figures with mark indicate percentage of population for India; figures within () brackets indicate percentage of population in the provinces.

delegates have done a positive harm to the depressed classes by claiming and accepting seats on behalf of the depressed classes much less than what they would be entitled to on the basis of population. Let me explain this to you. Take for instance the first two items in the above table. Out of total of 200 seats, in the Upper Chamber the depressed classes, who form 19 per cent of the population should be given 38 seats. Our friends Dr. Ambedkar and Mr. Srinivasan were willing to forego 18 seats and claimed only 20 seats.

Let us now look at our Muslim friends in the R. T. C. The Muslims in the country form 21.5 per cent of the population and are entitled to 43 seats, but their representatives were so zealous about their community's interests as to secure 67 seats.

With reference to the Lower Chamber out of a total of 300 seats, the depressed classes are entitled on a population basis to 57 seats, but our friends, Dr. Ambedkar and Mr. Srinivasan, gave up 12 seats and claimed only 45. On the other hand, look how well the Muslim community have been served by their representatives. The Muslims who are entitled, on a population basis, to 64 seats have secured for themselves a full 100 seats.

From these facts it is clear that the depressed classes delegates at the R. T. C. have sacrificed the community's interests and have entered into an unauthorised and a stultifying pact.

It should be noted that all these arrangements took place in November, 1931, i.e., after the Depressed Classes Special Conference that took place on the 18th of October, 1931, in the Spur Tank, Egmore, Madras, and after the All-India Depressed Classes' Conference 9th Session, held at Gurgaon in the Punjab on the 31st. of October, 1931. No member of the depressed classes, who knows the facts and has the interests of the community in the forefront of his thoughts will ever agree to this suicidal pact. We enter into a pact with other communities for gaining something for our poor community and for benefiting our community. What is the gain or benefit which the community would derive by this Pact?

PROVINCIAL LEGISLATURES

With reference to the Provincial Legislatures the Depressed Classes representation according to the so-called Minority Pact just approaches the population ratio in Assam, Bihar and Orissa. However, Dr. Ambedkar and Mr. Srinivasan have given up 8 per cent of the population ratio in Bengal, 4 per cent of the population ratio in Central Provinces, 3.5 per cent of the population ratio in the Punjab, 6.4 per cent of the population ratio in the United Province.

Dr. Ambedkar and Mr. Srinivasan claim that they have obtained weightage for the community in Madras and in Bombay, Madras being Mr. Srinivasan's province and Bombay being Dr. Ambedkar's; but they admit that they have not claimed the same weightage as the Muslims have claimed. They have been allowed to claim 40 seats out of 200 in Madras and 28 seats out of 200 in Bombay. What chance had they of these claims, liberal as they look on paper, would be conceded by the authorities concerned? Take for instance the province of Madras. What did the Madras Franchise Committee recommend? They recommended 25 seats for Depressed Classes out of a Council of 220 seats. What did the Madras Cabinet recommend? They improved upon the Madras Franchise Committee's recommendation and granted only 18 seats for the Depressed Classes out of a Council of 210 being a reduction of 7 seats from the Madras Committee's recommendation. Now what has become of the 40 seats out of 200 given to the Depressed Classes of Madras in the Minority Pact of the R. T. C.? Neither the Madras Franchise Committee nor the Madras Cabinet cared a straw for the so-called weightage granted to the community by the other members of the R. T. C. Minority Pact.

Who can now deny that in these circumstances our wise representatives at the R. T. C. have been duped willingly or otherwise?

Let us now see what result the principle of proportionate representation on the population basis, which is a central point in the Rajah-Moonjee pact, when applied to the different Provinces will yield to the Depressed Classes under the scheme of Joint Electorates with Reservation of seats. The following figures speak for themselves.

Depressed Classes Representation in Legislature according to R. T. C. Minority Pact compared with the Depressed Classes Representation according to Rajah-Moonjee Pact.

Legislatures	Strength of Chamber	Seats according to R.T.C. Minority Pact	Seats according to Rajah-Moonje Pact
CENTRE			
All-India			
Upper	200	20	38
Lower	300	45	57
Assam	100	13	13
Bengal	200	35	49
Behar and Orissa	100	14	14
Bombay	200	28	16
Central Provinces	100	20	24
Madras	200	40	39
Punjab	100	10	13
United Provinces	100	20	26

We have already examined the figures for Madras under the weightage granted by the R. T. C. Minority Pact and compared them with the figure recommended by the Madras Franchise Committee and the Madras Cabinet respectively and seen that little weight has been given to the R. T. C. Minority Pact figures. We are not sure that the Bombay Franchise Committee and the Bombay Cabinet have treated the Minority Pact figures with more respect. In these circumstances the weightage given to these two provinces in the Minority Pact is nothing more than an eye-wash.

I have now placed the facts and figures before you as plainly and clearly as I could. It is now for you to judge who has served you and who has betrayed you.

Note: According to Rajah-Moonje Pact the Depressed Classes will have the right to contest besides the reserved seats additional seats also, as they have contested and won in the recent elections to the Local Boards in Alandur, Sembiam, Villivakam and other Unions in the Chingleput District of the Madras Presidency.

THE SIKH POLITICAL CONFERENCE

In his presidential address at the Sikh Political Conference, which opened its session at Lahore on the 25th. March 1932, **Sardar Ujjal Singh**, at the outset, expressed his pleasure at the unanimous demands made by his community. Their principal demand, he said, was that no community should be given a majority of seats in the legislature by statute, and that the Sikhs should be given representation on the Punjab Council in excess of their numbers on the same basis as that allowed for the Muslim minority in the other provinces.

Referring to the scheme for redistribution of the provinces, **Sardar Ujjal Singh** said: "It is advisable that the overwhelmingly Muslim districts should either be amalgamated with the North-Western Frontier or made into a separate province. Dera Ghazi Khan can well be attached to Sind and the remaining districts to the North-Western Frontier which is at present a very small province. Such arrangements ought to satisfy both the communities. The main object of any proposal for territorial redistribution should be to satisfy the claims of the various communities in the Punjab, so as to bring about conciliation and a peaceful atmosphere amongst them. But Sir Geoffrey Corbett's scheme will have "a contrary effect. It places the Sikhs in a far worse position than any in which they can ever be placed in the Punjab as it exists. The Sikhs therefore are not prepared ever to look at this proposal."

As regards electorates, **Sardar Ujjal Singh** opined that Responsible Government and separate electorates were a contradiction in terms. The ideal which they must work for was a system of common electoral register for all. Communal electorates were a curse. The President then referred to the attitude of the Government and the

Congress which, he added, did not fulfil their promises. The former accepted the Lucknow Pact, but did not treat the Sikhs on an equal footing with the Muslims and the other minorities. Moreover, the recent speech of the Secretary of State for India had created grave apprehensions in the minds of the Sikhs. The latter, whenever an opportunity arose for translating their assurances into practice, invariably tried to placate Muslims at the expense of the Sikhs. He advised the Sikhs patiently to wait for the decision on the communal question of the Government. So far as Kashmere was concerned, he said the Gurdwaras destroyed should be re-constructed at State expense without delay and the Sikhs should be given adequate representation in the State services. Hindu and Sikh differences should be entrusted for arbitration to Sir Sunder Singh Majithia and Raja Narendra Nath.

Among other things, Sardar Ujjal Singh suggested that the only criterion for recruitment to the different services should be merit. If not, at least 50 per cent of the posts should be filled by competition and the remaining 50 per cent in the proportion of 50, 20 and 30 by Muslims, Sikhs and Hindus respectively. The Punjabi should be recognised as a minority language in the Punjab. There should be a strong Federal authority, equipped with sufficient emergency powers. A comprehensive scheme of All-India Federation with responsibility at the Centre and provincial autonomy should be formulated and introduced simultaneously. Full control over Financial, Fiscal and Currency policy should be granted to India.

RESOLUTIONS—REPRESENTATION IN COUNCIL

The following resolutions were unanimously passed :—

"In view of the historic, political and economic importance of the Sikh community in the Punjab, Sikhs demand 30 per cent representation in the Punjab Legislature and Administration, on the principle of the Moslem minority in other provinces. Sikhs are anxious to secure a National Government and are opposed to any communal majority by statute or any reservation of seats by law for the majority community. Sikhs should be given five per cent of the total seats reserved for British India in each of the Upper and Lower Houses.

In the Punjab Cabinet, Sikhs should have one-third share and there should always be one Sikh in the Central Cabinet. In case no settlement of the communal question in the Punjab acceptable to the minorities is arrived at, the Punjab may be administered by the newly constituted Responsible Central Government rather than arrest the constitutional advance of the country.

Sikhs view with alarm the increasing tendency of the Government to reduce the numerical strength of the Sikhs in the Army and in view of the fact that Sikhs have always had a special connection with the army, the same proportion of the Sikhs should be maintained as before the War. In case an Army Council is constituted, Sikhs should be adequately represented on it.

The Conference further reiterates the demand of the community to have 30 per cent representation in the Punjab services. In view of the existing dismally low representation of Sikhs in the services, the community views keenly and feels the injustice of their number being further reduced on the plea of retrenchment.

The community resents the announcement made by the Chief Secretary to the Punjab Government, that the Sikhs will be given 17 per cent representation in the Irrigation Department, and looks upon the same as a flagrant betrayal of the convention established by the Government since 1921, whereby the proportion of the Sikhs in the services was fixed at 20 per cent.

KASHMIR DISORDERS

The Conference condemns the desecration of temples, forcible conversions and the outrages committed by Muslim rebels in Jammu and Kashmir State on the innocent law abiding non-Muslim population, and regrets the inaction of the Kashmir Darbar and the indifference of the Imperial Government in affording the sufferers proper and adequate protection.

The Conference further expects the State Government to punish the culprits, rebuild the sacred places at the expense of the State or of the rebels, and otherwise adequately compensate the victims of the disturbances.

The Conference also invites the attention of His Highness the Maharaja of Jammu and Kashmir to the desirability of adequate representation of the Sikhs in the civil and military services of the State, to ensure protection of the life and property of the non-Muslim population of the State.

THE EUROPEAN & ANGLO-INDIAN POLITY

The following document, (containing a resume by Mr. Benthall of the work done by the representatives of the Europeans in India at the Round Table Conference) which was stated to have been circulated among the "Royalists" and reference to which was made by Mr. B. Das in the Legislative Assembly on the 1st. April, (see p. 201) is taken from the "Advance" of Calcutta, dated the 1st. March 1932 :—

1. Situation to be met at Conference.
2. Conditions of debate difficult.
3. Value of R. T. C. as educating, (1) British public opinion, and (2) world opinion.
4. Gandhi discredited with his Indian fellow-delegates.
5. Gandhi returned to India empty-handed.
6. Gandhi failed to settle the communal problem—result the Minorities Pact.
7. Reaction of Hindus to the Minorities Pact.
8. Attitude of Moslems.
9. All outstanding points of difference between European representatives and their extremist opponents argued strictly on their merits.
10. Important point of principle involved in Minorities Pact. Are the Europeans a "minority" or a colony of the British people resident in India?
11. 'Commercial Safeguards'—In the main the 'substance' granted in a very satisfactory manner. The sanctions very much more important than the safeguards themselves.
12. Position to-day. Attempts to whittle away the Report on Commercial Discrimination.
13. An agreement or convention with Indian leaders to be greatly preferred to a restrictive clause in the Act. A tripartite agreement between Great Britain, India Burma would have great advantages.
14. Financial Safeguards.—The old safeguards stand unimpaired, but were barely discussed at the Conference.
15. General Policy.—The fulfilment of the Federal Scheme as outlined at the first Conference. Congress and the Federated Chambers attacked it.
16. Defects of Scheme, e.g., (1) Safeguards in connection with Police totally inadequate, (2) The Princes as a stabilising element a doubtful quantity.
17. British Government's Indian policy must be a national policy to avoid dangerous reactions when Labour comes into power again.
18. After the General Election, the Government's policy undoubtedly changed. Attitude of European representatives to the change. Reasons for their attitude.
19. The result was a promise of co-operation by 99 per cent of the Conference including Malaviya. Even Gandhi was disposed to join the Standing Committee, but his hand has since been forced by his lieutenants. Question now whether saner elements of Indian opinion will stand for Conference method or not.
20. Sir Hubert Carr's speech explained.

1. We went to London determined to achieve some settlement, if we could, but our determination in that regard was tempered by an equal determination that there should be no giving way on any essential part of the policy agreed to by the Associated Chambers of Commerce in regard to financial and Commercial safeguards and by the European Association on general policy. It was obvious to us, and we had it in mind throughout the Conference, that the united forces of the Congress the Hindu Maha Sabha and the Federated Chambers of Commerce would be directed towards whittling down the safeguards already proposed. It is not frequently stated that in the effort to maintain a good atmosphere, the Conference lost sight of the realities that I think it well to preface my remarks by stating that in all our talks with our extreme opponents your delegates 'never once' lost sight of this essential fact.

And, furthermore, we are prepared to challenge the closest enquiry into any assertion that we have given way on any important detail affecting either the position of our community or the general policy.

2. I would first point out the extraordinarily difficult conditions under which the Conference was working. The avowed object of the Conference was to attain the maximum amount of agreement in shaping the lines upon which the new Constitution should be formed. We had first of all to pick our way through a maze of backstairs intrigue—lobbying is the polite word. The Committees themselves consisted of some forty persons with another seventy to one hundred sitting round the room. There was no opportunity therefore for anything like negotiation when you had to shout at a man fifteen or twenty yards away. Speeches were largely set speeches, voicing set opinions and having in the majority of cases no influence “at all” on the proceedings. It was impossible to contradict even a proportion of the mis-statements made, and interpolation was not encouraged. If it has been we should have been there still.

Those who spoke most frequently longest and loudest did not by any means carry the greatest weight. So, in the circumstances, we decided to speak as a delegation and as far as possible when we did speak to be definitely constructive.

3. But in actual fact the Round Table Conference in addition to its function as a vehicle for recording the constructive and destructive views of the delegates, had a second side. It was staged, as part of Great Britain's set policy to demonstrate to India, to the people of Great Britain and to the world that Great Britain was prepared to go as far as possible in the policy of progression by conference methods.

It had a remarkable educative effect upon the people at home. It was surprising to see the interest taken in the Indian question by most improbable people and they were able with the help of the press, to appreciate better than they had ever done before how impossible some of the demands were that were put forward.

4. If it did nothing else, it showed to the World the constructive vacuity of Gandhi's mind. Not only in London, but in Paris and Rome, those who came in touch with him found him quite incomprehensible, while in America, as a newspaper attraction, the economic crisis pushed him of the front page entirely. And I suppose that never in his life has he been more laughed at or had more bricks thrown at him ‘by his own countrymen’ first on the occasion when he claimed to represent 95 per cent of India, and secondly when he in effect claimed the right as Congress, to examine every man's title to his own property, whether Indian or European, ‘as Congress’ to halt them before Judges and if the Judges gave a decision unpalatable to Congress, to unseat the Judges. Not nearly enough has been made in this country of that speech, which was carefully edited in the Nationalist Press and which was carefully explained away by Malaviya next day.

5. Not only that, but Gandhi lost enormous prestige with his own followers. If you look at the results of this last session you will see that Gandhi and the Federated Chambers are unable to point to a single concession wrung from the British Government as the result of their visit to St. James's Palace. Whatever influence he has regained since, when he landed in India he landed with empty hands.

6. There was another incident too, which did him no good. He undertook to settle the communal problem and failed before all the world, the people who let him down ‘not’ being the minorities but his own Hindu Mahasabha party who openly repudiated him on account of their distrust of his intention.

The result of the deadlock arising out of the Prime Minister's request to the Minorities to try to find the maximum possible agreement was the Minorities Petition of Rights or, as it was called, the Minorities Pact. That was largely the work of Sir Hubert Carr and Edgar Wood; the signatories, namely, the Europeans, Anglo-Indians, Moslems, Depressed Classes and Roman Catholics claim to represent 46 per cent. of India, and by signing it we made firm friends with the Moslems and showed to the Conference that it was possible to attain agreement if people would be reasonable, and that we would without hesitation stand by our friends.

7. We were candidly nervous of the reactions. Gandhi announced that he would “humble Hubert Carr to the dust.” We thought for a while that any agreement on commercial rights was doomed. But it did not turn out that way. Although Gandhi started on the process of humiliating that very night by telling us that all that the Congress would grant was a gentleman's agreement with Congress—unsigned and undated—that attitude did not last long and the real outcome was an increased respect for our delegation and for the signatories to the Pact.

MUSLIM DELEGATE'S ATTITUDE

Section 8. One word about the Moslems. They were a solid and enthusiastic team: Ali Imam, the Nationalist Moslem, caused no division. They played their

cards with great skill throughout; they promised us support and they gave it in full measure. In return they asked us that we should not forget their economic plight in Bengal and that we should without pampering them do what we can to find places for them in European firms, so that they may have a chance to improve their material position and the general standing of their community. It is a request which in my opinion deserves very earnest consideration.

9. It was part of our settled policy also patiently to discuss all outstanding points of difference between us and our extremist opponents. In these discussions it was our endeavour to argue each case strictly on its merits and in my opinion this policy bore fruit because through the closer understanding reached, we were able to achieve a measure of agreement that would have been 'quite impossible without the good-will engendered by these discussions. You may say, "Why did you waste your time on Congress?" I would answer, "If you go to a Conference and can convert your greatest opponent, you have won the day." We may not have converted them. But after all the new Indian delegates went to London mainly to attack the Commercial and Financial Safeguards and yet still the Commercial and Financial Safeguards seem to stand as firm as ever.

10. Now I will say very little as regards the Commercial Safeguards. There are a large number of points of detail which will require thorough discussion. There is one most important point of principle.

The Petition of Rights and the Report on Commercial Discrimination definitely place our community in the position of an Indian minority. Now, before we went to London, Mr. Walter Page raised the point that we were foolish to accept this position. We should stand purely as a section of the British people happening to be in India. I for one certainly did not then see as far as he did. There is much in it, and in my opinion the subject calls for a lot more earnest thought.

How, if we are a minority, can we justify special auxiliary force units, etc., and above all, how can we appeal to our Home Government on any basis other than that afforded to the other minorities?

Shall we, in the long run, gain most by associating ourselves as closely as possible with India or by taking our stand clear cut as a section of the British people.

Our legal advisers tell us the latter is the safer plan. Events have carried us in the other direction. Are the two irreconcilable? I will give no opinion, as the community must examine the position and decide.

We have also got to decide what is to be our position in the Indian States. The States have said that we can have equal rights if we submit to State jurisdiction. I wonder what our legal advisers will say to that.

There are, as I said, many points of detail, some arising directly out of the report, some raised by Indian delegates. In due course I expect the various Chambers of Commerce and the branches of the European Association will examine these and consider the community's attitude in regard to each.

11. Meanwhile, it is noteworthy that, of all the Sections of the Round Table Report that dealing with Commercial discrimination is the only one which begins with such words as "on this subject the Committee are glad to be able to record a substantial measure of agreement." I should like in this connection to draw attention to the very fair-minded manner in which so many of the delegates, both Hindu and Mahomedan, supported our just claims in this matter. As in the main we claim that the 'substance' of our demands is granted in a very satisfactory manner that in itself would appear to be a subject for some gratification. It is also noteworthy that the question of citizenship was at any rate for the time being, effectively disposed of.

But let us be under 'no' delusion.

We took the very best legal advice which we could on the subject. We had the benefit of invaluable advice from Professor Berridale Keith, Mr. Wilfred Greene, Sir John Simon, Lord Reading and all the principal law officers of the Crown, the India Office and the Foreign Office. Sometimes it was very conflicting and we have to pick our way very carefully; but we are very deeply indebted to all these people, who deserve our most hearty thanks.

All agreed of course that in the Constitution itself we should have the amplest safeguards which the brightest legal minds can devise. But I think all also came to the conclusion that in the long run and after the lapse of years no set of words however carefully drafted could alone save us entirely from administrative discrimination by a purely Indian Government provided it was determined to discriminate. That is not my view only, or the delegation view, but the view of the

best legal brains in England, and I think it was the view that the Chamber Committee arrived at after intense study four months ago.

But we delegates always appreciated and never once lost sight of the fact that the Sanctions or the powers to enforce the safeguards were of equal importance to the safeguard itself. It is the power of the Courts and of the Governor-General and Governors; it is the constitution of a properly balanced Government with adequately staffed services, and above all the maintenance of the British connection which is going to see us through. And in this connection it may be of interest that the Prime Minister and another member of the Cabinet both stated that the only two things which really interested Parliament were the safety and prosperity of their own countrymen in India and their trusteeship for the masses. Those two things they would never sacrifice. We are safe for the present. Nevertheless, with all the safeguards and all the sanctions that we can devise we shall 20, 30 or 40 years hence more than ever depend upon co-operation and upon the power of the purse, and it is largely upon our handling of these Reforms questions firmly but justly that our position in India will depend "Forty years on."

12. In spite of the large measure of agreement attained in London among the delegates, what is the real position to-day. Again, let there be no delusion. From the day the report was noted, some delegates have been steadily trying to whittle it down. On landing here I find not a little opinion in some Indian commercial circles that the Indian delegates agreed to too much. The view is put forward too, that when we come down finally to brass tacks, Indian opinion will interpret some of the words in quite a different way to what we do. In brief, the determination to discriminate by some sections still exists and I would refer you to page 6 of 'Capital' of 7th January. Make no mistake. We can rest on our oars. Still in so far as the leaders of Indian Commerce were largely represented in London there objections can be tied down to those points raised at the Conference, and they are not necessarily of a deadly nature. But there is still grim work ahead of us.

COMMERCIAL DISCRIMINATION

13. One last word on Commercial Discrimination. Although we may, I believe, be satisfied with the substance of the protection—and my belief is endorsed by the fact that the British Commercial bodies in Rangoon have endorsed it wholesale for application to Burma—the method of a protective clause is without doubt, inferior to a definite agreement or convention, if the latter can be secured. A clause to cover everything must be immense and unwieldy and a clause cannot cover reciprocity. Also the sentiment of Indians even of the best type revolts against a restrictive clause and favours an agreement. It is my deep conviction that we shall do well to press on with our demand for this agreement and I do not think it is impossible to attain. Possibly the Standing Committee to sit will afford us an avenue for detailed negotiation and settlement.

And, what is more, I am sure that we must be carried back to our old idea of a tripartite agreement between India, Burma and Great Britain for tactical reasons if for no other. Mr. Haji, he of the Haji Bill, in London demanded a guarantee that there would be no discrimination against Indians in Burma. Mr. S. N. Haji said that Indians wanted a guarantee that there would be no discrimination. He urged that separate electorates should not be changed without their consent, and also asked that a member of a minority community should have the right of judicial appeal, with final appeal to Britain, against a decision of the executive which he believed deprived him of any right to safeguard him under the constitution. That, to my mind, coming from him of all people is a beautiful piece of irony. I do not see that if a tripartite agreement were under negotiations how he or his colleagues could possibly oppose our claims. This little incident seems to point a clear course to us.

14. I will say nothing much about the financial safeguards. Briefly, the old ones stand unimpaired. But Indian opinion is not satisfied because discussion was barely allowed owing to the financial crisis. There was considerable agreement that an ultimate solution lies along the lines of the Statutory Finance Council: we are committed to that idea but we are 'entirely free' as to the details. The problem boils down to a financial one, how is India to find the money which she needs in the near future or to start her Reserve Bank if she is not to be linked with British credit? How is that partnership to be created and cemented? It is so demonstrably "in the interests of India" that these safeguards should exist that we have as a matter of fact undertaken to try to get out a paper to prove to certain Indian delegates that

they are so. There is no reason to be despondent of reaching agreement which is so much more valuable than imposition, for at one stage after prolonged private discussion we induced even Gandhi to draft a safeguard of sorts, which was accepted by the Federal Chambers representative. But there is plenty of work for our community to thrust home by hard argument this truism that financial safeguards are in the interests of India.

15. With regard to the general policy followed, the main plank of our platform was the fulfilment of the Federal Scheme of the previous session, no more and no less. It was certain that Congress and the Federated Chambers would attack the scheme and in particular Commercial and Financial safeguards and so it turned out.

16. The scheme of course was barely sketched at the previous session. It has defects; many of them still exist. For instance, and this needs the most vigorous examination by our community, the police safeguards are 'totally inadequate' as they stand. Also it is by no means certain that the Princes will be quite that stabilising element which they were hoped to be. The Princes who will rush into Federation are the Congress-minded Princes and they will come increasingly under Congress influence once they come in. The Conservative Princes may stay out and may indeed be the real source of strength. Until they come in their vacant seats should be filled by the Crown by virtue of its paramountcy.

17. But on the whole, there was only one policy for the British nation and the British community in India and that was to make up our minds on a national policy and to stick to it. A policy which fluctuates according to whether a Conservative or Labour Government is in force is fatal though it is as well to-day to remember that in five years' time we may once again have a Labour Government and the reversal of opinion may be just as violent as last year. The Labour Party machine is not broken, and harbours the bitterest of feelings.

When we arrived home, the Federal Plan was the policy of the National Government, and the work of the Conference was to fill out the details and to resist any whittling down of safeguards. It was a sound policy, and one which would have the backing of all except some of the new delegates.

18. For six or eight weeks the work went on: the Central Legislatures, Federal Finance, the Supreme Court and the Minorities occupied the time amid financial crises and a General Election.

But at the result of the election the policy 'undoubtedly' changed. The right wing of the new Government made up its mind to break up the Conference and to fight Congress. The Moslems, who do not want Central Responsibility, were delighted. Government undoubtedly changed their policy and tried to get away with Provincial autonomy with a 'promise' of Central Reform.

What line were we to take?

We had made up our minds before this that a fight with Congress was inevitable: we felt and said that the sooner it came the better, but we made up our minds that for a crushing success we should have all possible friends on our side.

The Moslems were all right; the Pact and Government's general attitude ensured that, so were the Princes and the Minorities.

The important thing to us seemed to be to carry the Hindu in the street as represented by such people as Sapru, Jayakar, Patro and others. If we could not get them to fight Congress, we could at least ensure that they would not back Congress, and that by the one simple method of leaving no doubt in their minds that there was to be no going back on the Federal Scheme, which broadly was also the accepted policy of the European community.

We acted accordingly.

We pressed upon Government that the one essential earnest of good faith which would satisfy these people was to undertake to bring in the Provincial and Central Constitutions in one Act. Provincial autonomy could not be forced upon India—the Moslems alone could not work it. Congress Provinces facing a British Centre present grave practical difficulties; each Province would be a Calcutta Corporation on its own.

But schemes for Provincial autonomy could be ready in a few months; Federation if hurried on must take two or three years, some say five to eight. If Provincial autonomy were ready, all waiting in the pigeon hole, there was little doubt that Madras, for instance, seeing Federation still far off, would demand immediate Provincial autonomy; that would be the beginning and the result which you could not force would be brought about by natural circumstances. But if you back this

policy you must visualise and decide clearly how responsible Provinces, autonomous in their own sphere, are going to work transitionally with an autocratic centre. Remember that Gandhi himself at one time supported Provincial Autonomy only of a kind, as a means of bringing to a deadlock all relations with the Central Government.

19. So we joined with strange companions ; Government saw the arguments ; and the Conference instead of breaking up in disorder with 100 per cent of Hindu political India against us ended in promises of co-operation by 99 per cent of the Conference, including even such people as Malaviya, while Gandhi himself was disposed to join the Standing Committee. But Gandhi's lieutenants in India proved too fast and jumped him. To-day the work of the Conference seems wasted and the question of the hour is whether the saner elements of Indian opinion will stand behind Government for Conference methods. The key lies in the hands of India's leaders but if they open the door we must stand by to give it a push.

20. In conclusion, I understand on return here that a good deal of feeling was caused by a condensed report of Carr's final speech, a speech fully approved of course by all of us.

There is a saying, "Never explain ; your friends don't need it, your enemies won't believe it."

But I stand here also to back a man who is not there to defend himself. To begin with he only happened to be the spokesman. He is also a man who has unostentatiously and devotedly given of his best to our community, and as for his ability there is no man who better understands all the intricacies of our community's commercial and general position or who more stoutly defends them, or who better keeps his head. I may sum up my own opinion by saying, that if for any reason one delegate alone were to represent us, I would be perfectly content that the interests which I represent should rest in his hands alone.

Let us see what he actually said.

"We should much prefer provincial autonomy instituted previously to any change in the centre, or even before it is decided on at the centre. We realise, however, while deploring it, that there is not sufficient confidence existing between India and Britain to-day, for India to be content with merely provincial autonomy and a declared intention of development at the centre. We are therefore united without fellow delegates in demanding that the whole framework of federation and provincial autonomy shall be determined at the same time. (Hear, hear). We earnestly hope that provincial autonomy will be introduced province by province, the varying needs of each recognised in its constitution."

The word "determined" means solely that both the Federal Scheme and the Provincial Scheme shall be dealt with in one Act. The details and the time scale are entirely separate matters for discussion and decision. In that reading there is no difference from the policy laid down on page 3 of the Memorandum of Policy of the European Association.

There was no ambiguity either as to the meaning or the motive at the time. Looking back, to be absolutely explicit, it might have been wise after the word "therefore" to have added "and because it is our conviction that it is the right course" so as to make it clear here, 6,000 miles away, that there was no question of concession to clamour.

THE WHITE PAPER

And if any further justification for the wisdom of that viewpoint and the action is necessary, let me read for close comparison the relevant passage from the Prime Minister's White Paper.

"The adjustments and modifications of the powers now exercised by the Central Government which would obviously have to be made in order to give real self-government to the Provinces should raise no insuperable difficulties. It has, therefore, been pressed upon the Government that the surest and speediest route to Federation would be to get these measures in train forthwith, and not to delay the assumption of full responsibility by the Provinces a day longer than is necessary. But it is clear that a partial advance does not commend itself to you. You have indicated your desire that no change should be made in the Constitution which is not effected by one all-embracing Statute covering the whole field and His Majesty's Government have no intention of urging a responsibility which, for whatever reasons, is considered at the moment premature or ill-advised. It may be that

opinion and circumstances will change, and it is not necessary here and now to take any irrevocable decision."

The two statements are paraphrases of each other (I admit that the Prime Minister's was the better); but the latter statement subsequently had the endorsement of His Majesty's Government and of both Houses of Parliament, including that of such men as Sir Samuel Hoare, Lord Hailsham and Sir John Simon. If therefore we erred, it must be admitted that we erred in good company.

We draw members' attention to the following points :—

1. The Minorities Pact has produced a large measure of unity amongst the minorities.

2. The Moslems have become firm allies of the Europeans.

3. The success of the Federal Scheme depends on the support of a majority of all communities. Neither Provincial Autonomy nor Federation could work in the face of 100 per cent Hindu opposition. The extreme Hindus, i.e., Congress, Hindu Mahasabha, and Federated Chambers of Commerce, are irreconcilable, but there are Hindus whose support it is worth trying to secure in the hope that they will eventually form the nucleus of strong moderate parties.

4. It is essential to decide whether we are to be treated as a minority community or as representatives of the British in India. The latter course appears to be more desirable as it would, apart from other considerations, enable as more easily to call upon the Imperial Government for support. It must be recognised, however, that such an attitude has disadvantages; it might lead to dangerous isolation. The Minorities Pact has led away from rather than towards such a position as it commits us as a minority.

5. Although Provincial Autonomy may be introduced rapidly where provincial conditions admit, the granting of any tangible measure of responsibility at the Centre will depend chiefly upon the success of the Provinces in working Autonomy. It will be remembered, however, that Gandhi was prepared to accept Provincial Autonomy of a kind without any advance at the Centre, because he proposed that the autonomous provinces should paralyse the autocratic Central Government. To guard against this danger, it seems as though some modifications at the Centre will be essential, and it remains to be seen whether these modifications can be made without any real transfer of power. It must be our aim to secure that the transfer of power only takes place after everything else has been dealt with.

6. Throughout his statement, Mr. Benthall refers to **Financial Safeguards** and **Commercial Safeguards**. These are shortly as follows :—

a. The formation of a small Finance Council to advise the Finance Member and the Governor-General in regard to finance.

b. Formation of a non-political Reserve Bank.

c. Strong Upper Chamber.

d. Consolidated Fund to meet loan, salaries and other charges guaranteed by the Secretary of State.

a. The European Delegation demanded a commercial convention to cover every outstanding point but owing to difficulties raised in London this matter still remains unsettled. Meanwhile it is proposed that there shall be a guarantee under the Act to safeguard the rights of property and the rights of British Commerce.

b. European demands for safeguards for personal rights including trial by jury are secured under the Minorities Pact.

c. Power in the hands of the Viceroy and Governors to reserve bills for the sanction of Parliament (this would cover every class of discriminatory bill).

d. Right of appeal to the Privy Council.

We think that the result of the Conference may be summarised shortly as follows :—

The European Delegation has succeeded in impressing upon the British Government, the absolute necessity for our essential safeguards, though it experienced a good many difficulties in doing so. Furthermore these safeguards have been accepted by the Moslems and the moderate Hindus, and even the extremists have been less strongly opposed to them than heretofore. On the other hand, the extremists are clearly determined on *de facto* discrimination.

The Moslems are very satisfied with their own position and are prepared to work with us in the future on a basis of mutual support, and there is some hope that the moderate Hindus will do the same if they realise that Government at least

means what it says and stands firm. On the other hand, it must be remembered that the moderates are at present without any following whatsoever.

As against this, the actual scheme of reforms is very vague indeed and a great deal of work has still to be done—more, if anything than that already accomplished. For this reason it is essential that European opinion should be well organised and well-informed during the next few years. It is most important to bear in mind the point raised by Mr. Benthall that there may be a political land-slide in the opposite direction at home in five years' time, *i.e.*, we may again have a Labour Government. The right policy therefore seems to be that followed by the European representatives at the Conference. If we merely adopt an intransigent non-possumus attitude we may in five years' time find ourselves thrown to the wolves by an extreme Socialist Government. If, on the other hand, in the course of the next five years parts at least of the scheme are worked out by the National Government and agreed upon by Indians it will be very difficult for a Socialist Government to upset those agreements. Judging by what Mr. Benthall says, it may be possible to secure a commercial convention within five years. A policy which swings violently from extreme to extreme will be fatal alike to our special interests and to the peace of the country.

We should like to see the following points secured :—

1. The measure of responsibility at the Centre must depend, among other things, upon the success of Provincial Autonomy after a fair trial, and there must be no attempt at an immediate grant of Central Responsibility.

2. The position of the Central Government must be strengthened in order to prevent any possibility of open defiance of the Central Government by the Provinces, and no inauguration of Provincial Autonomy can be contemplated till this strengthening has been achieved.

3. Each province must be given ample time to settle its own problems and its participation in any Scheme of Federation should, we believe, depend upon the voluntary settlement of those problems.

4. Any attempt at an increase in the rate of Indianisation of the Services, particularly the I. C. S., and the police must be strongly opposed.

5. So far as possible the railways and ports must be removed from political control.

6. Voluntary settlement of the communal problem is an essential prelude even to Provincial Autonomy. If an imposed settlement has ultimately to be made it would not embrace anything approaching complete Provincial Autonomy.

In this summary we have assumed that the great majority of members are in agreement with the principle that reform of some kind must be introduced. We are aware that certain proportion of Europeans are opposed to any advance whatsoever. We would remind all such that the present system of government is so weak and cumbersome that it is positively dangerous to allow it to continue. Dyarchy has heavily loaded the dice in favour of the Hindu and sets a premium on unconstitutional agitation and has made extremely difficult for the Central Government to act forcefully and quickly except under special ordinances.

It must not, however, be supposed that when we agree that reforms are necessary we advocate democratic reform in every province.

All we mean is such change in the system of government as will improve its efficiency.

EUROPEANS AND MINORITY PACT

Mr. E. Villiers, President of the European Association, in an address on the political situation at a farewell tiffin to him by the Calcutta branch of the Association at the Great Eastern Hotel on the eve of his departure to London on the 22nd. April said :—

"The time is rapidly passing—in fact has almost passed—when we can any longer sit back and theorize on the future of the constitution in India. We have got instead to put these theories to the test of practical issue and to face up to them and see what really all this talk is in fact going to come to."

It was not unreasonable to assume, Mr. Villiers said, that with the submission of the reports of the Franchise, the Federal, the States, and the Consulative Committees, His Majesty's Government would have sufficient data at their disposal

to frame the Bill which would govern the future of this country. What, therefore, was the task that lay immediately ahead of them and what was the machinery that they had got to cope with that task?

After briefly recapitulating what happened at the Round Table Conferences in London, Mr. Villiers said that he did not believe that Europeans in this country would shirk their duty when the new reforms came into being.

Dealing with the Minorities' Petition of Rights or Pact, Mr. Villiers reminded their Moslem friends that while it was the intention of the British community to stand solidly in support of their co-signatories, the pact was essentially a defensive and not an offensive one. It was for the purpose of securing to the Moslem and other communities certain rights rather than for the purpose of depriving others of their rights. The Association therefore wished it to be understood that they would show no sympathy to those who sought to use the pact in support of resolutions such, for example, as some of those which had been passed at Lahore, and further that their adherence to the Pact did not preclude them from working with any group or party, Moslem, Hindu or otherwise, which sought to work the Constitution in a constitutional manner. That policy in the course of time would form the basis of the new Act which would form the foundation of the future Government of this country.

Mr. Villiers asked members of the European community never to allow themselves to be drawn aside by any specious argument from what they believed to be the proper course to pursue. The Federal scheme, whether as applied to the provinces or to the centre, was one indivisible whole which must be pursued as such irrespective of the fact that in the nature of things Provincial responsibility must, in his opinion, precede Federal responsibility.

The European Association, Mr. Villiers added, after grave doubts on the subject, had wholeheartedly subscribed to the action of their delegates in their agreement that the entire scheme should be determined in one Act. To this policy they gave their support and it was the settled policy of His Majesty's Government. India in future would depend more on the non-official Briton than she had ever done before. There was, continued Mr. Villiers, the Congress which was definitely out for destruction; while there was a section of the Liberals which was indistinguishable from the Congress; there was another section which in the face of obloquy of every description was carrying on constructive work with the various committees who in the fullness of time would be recognized as the true founders of India's freedom. So far as the Mahomedans were concerned, they were ill-organized and behind-hand in education and, unless the European community gave them a lead and inculcated into them a spirit of belief and hope, nothing could save that community.

Turning to the European Association itself, Mr. Villiers said that they had in it a weapon of immense strength. It was a weapon of solidarity in this country and it was a weapon of almost equal strength and power at home. The greater the power the greater the responsibility which rested upon its shoulders. In times like this the words "He who is not with us is against us" had a double truth. Those who merely criticized and refused to help others who were giving their best in the service of the country and of the Empire, were definitely the enemies of the country and of their community.

THE NATIONAL LIBERAL FEDERATION COUNCIL

A meeting of the Council of the National Liberal Federation was held at Allahabad on the 7th February 1932. Mr. C. Y. Chintamani, the president of the Federation, presided and among those who were present were Munshi Narayan Prasad Asthana, Sir Cowasji Jehangir, Mr. J. N. Basu, Rai Bahadur Thakur Hanuman Singh, Pandit Iqbal Narain Gurtu, Mr. G. K. Devadhar, Rao Bahadur R. G. Mundle, and Messrs. Wadias Shroff and D. G. Dalvi. After the confirmation of the minutes of the last meeting of the Council the following resolution was adopted:—

ATTACK ON GOVERNOR OF BENGAL

The Council of the National Liberal Federation of India have learnt with horror of the dastardly attempt by a lady graduate on the life of the Governor of Bengal at the Senate Hall of the Calcutta University and record their strongest condemnation of the outrage and call upon the people and particularly the youth of the country to put down by pressure of their opinion and example such dastardly and criminal acts.

The Council congratulate His Excellency Sir Stanley Jackson on his providential escape and express their admiration of the calmness and courage which he displayed on the occasion.

POLITICAL SITUATION

The present political situation was discussed at great length in which many members took part and the following resolutions were adopted :—

1. While it is satisfactory that the policy announced by the Prime Minister on behalf of the Labour Government at the conclusion of the first session of the Round Table Conference was re-affirmed at the conclusion of the second session on behalf of the present National Government and has been endorsed by both Houses of the British Parliament, and that the committees announced in December for carrying on the work of the Conference have since been set up and have begun to function, the Council of the National Liberal Federation of India are constrained to record their sense of disappointment that owing in the main to the attitude of the Government, no encouraging progress was made at the Conference with the proposed scheme of All-India Federation and that no conclusion was reached on the proposed reservations and safeguards.

2. The Council must further express their dissatisfaction with the composition of the Round Table Conference Committee as being insufficiently representative of progressive Indian opinion and as including no single representative of British India on the Federal Finance Committee. Nor can the Council omit to notice that all the Committees were nominated by the Prime Minister and none of them was elected by the Conference itself.

POLICY OF REPRESSION

3. The Council are gravely concerned at the alarming developments of recent weeks which produced the most acute and wide-spread bitterness in the public mind. It is the considered opinion of the Council that the no-rent campaign in the United Provinces, the refusal of His Excellency the Viceroy to see Mahatma Gandhi, the revival of the civil disobedience movement, the promulgation of a number of ordinances of almost boundless scope and their administration, with great and unjustifiable severity and so as to humiliate respectable people and terrorise the public generally, are calculated to increase bitterness, retard progress and make a settlement more difficult than ever. In particular, the Council are bound to stress the adverse effect of some provisions of the ordinances on trade and industry and the promotion of Swadeshi.

4. The Council strongly dissent from the policy of 'no compromise' with Congress announced by His Excellency the Viceroy and resent the insulting language of the Secretary of State in his latest speech. The Government and the people of India can have peace only by the substitution of conciliation for coercion and by the prompt and practical recognition of the right of the people to real self-government.

5. The Council urge in this behalf :

(1) the repeal or at least a substantial modification of the ordinances so as to restrict their scope to the minimum necessities of the situation ;

(2) their enforcement with justice and humanity and to no greater extent than may be indispensable ;

(3) the inauguration of a policy of conciliation ;

(4) the conclusion with the utmost expedition of the preparation for the introduction of the new constitution, a responsible central government being the most vital part of it, and

(5) the effectuation without any delay of all the advance possible under the present Government of India Act.

6. The Council must state in conclusion that in the absence of a policy such as has been outlined above it is becoming increasingly difficult for any political party of Indians to continue in the path of co-operation with the Government.

The Federation of Indian Chambers of Commers

The Federation of Indian Chambers of Commerce and Industry met for its fifth annual meeting in Delhi on the 26th. March 1932 under the chairmanship of **Mr. Jammal Mohomed**. The following is the text of his address :—

I welcome you all to this Fifth Annual Session of the Federation. The year 1931 turned out to be a very eventful one. It was heralded by that famous agreement, the Gandhi-Irwin Pact which was a distinct landmark in the history of our constitution. As a result of that Pact, the Indian National Congress participated in the deliberations of the second session of the Round Table Conference and its sole representative, Mahatma Gandhi, attended the session.

Gentlemen, as you all know the Federation nominated as representatives of Indian Commerce and Industry, Sir Purshotamdas Thakurdas, Mr. G. D. Birla and myself to attend the second session. Your representatives did as best as they could and kept themselves in close touch with Mahatma Gandhi in London particularly regarding matters relating to finance and commerce. Unfortunately for this country, the atmosphere in which the second session met was not very congenial for calm deliberations. On the British horizon were seen signs of a grave financial crisis, an emergency Cabinet was formed and the country soon went to the polls. The anxiety to tide over the crisis was reflected in the thumping majority the Conservatives secured at the polls. Consequently, there came a thorough change in the Government of Great Britain. The Indian problem which once focussed the attention of Great Britain during its first stages seemed now less prominent in the picture when the British nation was faced with serious problems of their own. The Federal Structure Committee and the Minorities Committee of the Round Table Conference took a different turn. Moreover, it is miserably unfortunate that a minority question could not be solved and it hampered frank and free discussion of such important problems as finance and commerce with its safeguards and reservations. These important economic questions on which depended the whole of the economic life of this country, were only hurriedly taken up at the fag end of the session and the British Government did not then appear to be in a mood for an elaborate and thorough discussion of these things. However, taking all matters into consideration, I think that the way in which the Conference terminated need not inspire pessimism and it indicate that it was capable of more satisfactory developments.

PROMULGATION OF THE ORDINANCES

You know the various Committees appointed to carry on the work of the Round Table Conference; but I am afraid that the atmosphere that is now prevailing in the country is not conducive to a frank and cool exchange of views and a calm consideration of things so necessary in dealing with the many vitally important subjects concerning the future constitution of this country. The Government's adoption of a repressive policy, the rapid promulgation of Ordinances one upon another and the rigorous enforcement of the same have tended to create an atmosphere of uncertainty and tension in the country. It is not possible for any one to expect trade and commerce to fare normally in such a surcharged atmosphere. I do not understand how the British expect to create a closer bond of friendship between India and Great Britain by following a policy and method which are being condemned by the people including the commercial community and the liberal leaders in the country. Friendship and also trade between the two countries can only prosper if there is sufficient good-will between them and one cannot see how that good-will is being helped by the present method. I fervently hope that the Government will recognise the necessity of adopting a policy of reconciliation and help in the creation of an atmosphere suitable for construction on, and calm consideration of, the great questions before the country.

Before I touch upon other events that happened in this country during the year under review, I should like to refer to one or two important points that were raised at the last session of the Round Table Conference relating to administration of finance and commerce in the future Government of the country. With the introduction of responsibility at the Centre in the future Federal Government of the

country, the question that will affect us most is the administration of finance and commerce. The British Government want certain safeguards to be introduced in the constitution subject to which the administration of finance will be handed over to a popular minister. The object of such a proposal according to their view is to maintain the financial stability and credit of India. But can there be any reasonable apprehension that the future popular minister handling the portfolio of finance would be less zealous of the financial stability and credit of his own country than the alien nominee of the British Government under the present Act? Can it either be said with reason that these safeguards are necessary for creating confidence in the foreign investors, when we find Britain giving substantial loans even to insignificantly small foreign nations without demanding any safeguard in the financial administration of the borrowing countries. One is rather led to believe that the anxiety is not simply to maintain the financial stability and credit of India abroad, but to adjust the currency and exchange policy of India to suit the financial and industrial requirements of the British nation. Such a belief can only be strengthened by such an act as the most deplorable interference by the Rt. Hon'ble Secretary of State for India in September last in linking the rupee to the sterling. When the British nation went off the gold standard, the Government of India acting in the best interests of the country issued an Ordinance suspending the obligation to sell gold or sterling against the rupee, evidently with a mind to let the rupee to find its own level. But within a few hours of this decision and even when the Legislative Assembly was in session, the Secretary of State for India reversed their policy and linked the rupee to the sterling. This I am quoting by way of an illustration to show how the interests of this country are subordinated to those of Great Britain. The history of our currency policy will show how the British nation have been using their power of control and superintendence of the promotion of the interests of the United Kingdom and it is no wonder that with such a history before them, those representing India who were competent to express any opinion on these matters were very nervous from the very beginning about the proposals of the British Government as regards financial safeguards.

COMMERCIAL DISCRIMINATION

Another important subject is in relation to commerce and problems connected therewith such as, commercial discrimination and equality of trading rights. At the Federal Structure Committee, Mahatma Gandhi suggested a formula to the effect that "no disqualification not suffered by the Indian-born citizen of the State shall be imposed upon any persons lawfully residing in or entering India merely on the ground of race, colour or religion." The word 'discrimination' which was so much used during the deliberations of the Federal Structure Committee is certainly an unfortunately chosen word. The future Government of India would certainly not discriminate against any particular individual or firm or interest simply because he or it happens to be a non-national. The main idea underlying this demand for the right of discrimination, to my mind, is that the right of the future legislature of this country to enunciate a particular policy if the economic interests of the country should be left intact. I take this opportunity of appealing to the representatives of the British commercial community that if they would trust the future Government of the country and thus create greater goodwill between the two communities, they would not have any occasion to repent their action in days to come. As you know, commerce cannot thrive without international co-operation and goodwill between the various countries which are in trade relations with one another. The India of the future date will certainly not like to remain isolated and it will be very difficult for her to shut out foreign trade and to wish to develop her own export trade with other countries. India in deciding upon a certain policy of protection to her own indigenous industry will, I am sure, take into account the effects of such a policy on her relations with other foreign countries of the world. I would, therefore, urge that though we are quite prepared to have a clause in the statute to the effect that there shall be no discrimination *per se* against any non-national, India should be given the same powers which are at present enjoyed by the other component self-governing parts of the Empire in matters relating to the finance and commerce of the country.

STATUTORY RAILWAY BOARD

I find, besides these two important points, another proposal on the agenda of the Consultative Committee of the Round Table Conference for constituting the Railway

Board into a statutory body. This is a question which was not fully dealt with at the Federal Structure Committee. The Railways of India, as you know, are one of the best assets of the tax-payer and constitute one of the largest assets in India. It is an important means of transport and a very useful means of bringing the distant parts of India together. In America and certain other countries, railways are used as a useful weapon in the development of industries and the future Government of India will doubtless make use of the transport facilities afforded by the net-work of railways to put forth more and more facilities in the way of the growers of India's crops. The anxiety of the present administration in India to turn the present Railway Board into a statutory body on the eve of the inauguration of the new constitution is strange and I must record my voice of protest against any such act at the present stage. When the new Government of India Act comes into force, the legislatures of the country will be the best competent authority to lay down the future constitution of the Ministry of Transport, which would not only look after the administration of railways but also take care of the construction and maintenance of roads and development of inland and coastal navigation. These three means of transport constitute a very important factor in the economic development of a country and the problem should not be tackled now as it is expected to be done by the Round Table Conference.

Events in India during the year under report were not very assuring and the economic situation in the country worsened though there were occasional fitful flashes of certain brightness as regards commerce. Retrenchment Committees became the order of the day. Your Committee thought it advisable in June last to carry on some correspondence with the Hon'ble the Finance Member suggesting certain remedies to alleviate this tension such as reconsideration of the currency policy and drastic retrenchment to the extent of one-third in the expenditure of the Imperial as well as Provincial Governments. But it was more and more brought home to the Committee that the Government of India as constituted at present were not always able, in these things, to keep the interests of this country alone at the top. I have already referred to how at the moment the Government of India adopted a particular course as regards the gold-standard in the best interests of the country, the Home Government through the Secretary of State for India reversed the course. Nothing resulted from the correspondence which was carried on by the Committee for nearly four months owing to an entirely different outlook taken by the Government on the question of the currency policy of the country.

EXPORTS OF GOLD

The decision of the Secretary of State for India to link the rupee to the sterling brings me to another very disquieting feature of the year, I mean, the enormous export of gold from this country. India exported between September 1931 and February 1932, gold to the value of Rupees 50 crores. India never exported gold on such a large scale before. The phenomenon is particularly distressing because the movement of gold is more or less promoted not by any offer of speculative profit but by economic pressure of forcing the poverty-stricken people of this country to part with their savings in the form of gold ornaments. One must understand that in India owing to illiteracy prevailing amongst the masses and particularly owing to the absence of adequate banking facilities, people have not cultivated the habit of keeping their savings in gilt-edged securities. They generally do not also find any enthusiasm in holding any industrial script which is to be attributed to a large extent also to the apathetic attitude of Government towards indigenous industries. The illiterate masses, therefore, follow a safer course of converting whatever little they could save either into silver or gold ornaments—the poor peasantry holding their savings mostly in silver and the middle classes in gold ornaments. Gold is not hoarded in India in the true sense of the word. These gold ornaments are called 'stridhan' of the family and are always held sacred and are not subjected to speculative transactions. Nothing will prompt an Indian to bring the ornaments of his family into the market merely to make a profit out of the sale; but the very fact that the ornaments are coming into the market for sale justifies the conclusion that in a majority of the cases, gold is coming as the result of straitened circumstances of the Indians in various walks of life in the country. With the knowledge of these facts before us, we cannot help viewing with grave concern these enormous quantities of gold coming into the market for sale, which indicate the acuteness of the economic distress in the country. When the capacity of the people to stand the

economic distress is being undermined by the disappearance of whatever gold that they may possess at present, it does not behove the Government of the country to follow a policy of indifference and allow the yellow metal to leave the shores of the country undisturbed. One is at a loss to understand that when countries like Canada, Australia, Sweden, Norway, Japan, Egypt, Argentine and several others which have abandoned the gold standard, have prohibited or restrained to a great extent export of gold from their shores, India is unfortunately an unique instance of a country, which, being off the gold standard, is not placing any embargo or restriction on the export of gold. Does not this unfortunately unique phenomenon make one think that the policy of the Government is governed more by considerations of other interests than those of India? His Excellency the Viceroy said in his address to the Legislative Assembly in January last that there was no public ground on which the prohibition of export of gold could be justified and that the export of gold at this stage was definitely and decisively to India's advantage. But whether the export of gold is not in the interest of the country will be strikingly apparent when one has in mind the appeal made by the Chancellor of the Exchequer in Parliament on the 9th February last asking people of the United Kingdom to serve the public interest best by not selling gold coins at a premium of 33 per cent but by paying them into the Government Treasury. The Indian commercial community asked and is still asking with one voice for an immediate embargo on the export of gold and suggested to Government to avail themselves of the opportunity thus offered by adding substantially to their gold offered for sale at a reasonable price by issuing fresh currency against it, but there has come no response from the Government. If the Government had followed the advice offered by the commercial community, the currency could also have been expanded in a more natural and safer way than the one now adopted, and the gold reserves could have been also used at a future time to form the nucleus of the gold reserves that are required to launch successfully a Reserve Bank for India.

May I take this opportunity to put a word of warning to those responsible for not checking these exports of yellow metal, that as India constitutes one-fourth of the population of the globe, recovery of trade all the world over will to a great extent depend upon the recovery of this country from the economic chaos which will ensue after the total pauperisation of the masses of this country? The sooner they find out ways and means to improve the economic conditions of the masses of the country, the better it will be, not only for this country, but for the whole of the civilised world.

POSITION OF THE AGRICULTURIST

Before I conclude, I wish to draw the serious attention of the Government authorities to the fact that India is mainly an agricultural country. The Indian agriculturist, to say the least, lives in a state of perpetual semi-starvation. The agricultural debt is estimated to be in the neighbourhood of 800 crores. The freight policy of the Railway Board is not conducive to greater movement of agricultural produce from one place of consumption to another and the long distances over which the agricultural produce is to be carried over to another in a country like India makes it well nigh impossible for the agriculturist to secure adequate return for the produce of his soil. Over and above this, he has to pay land revenue which is not commensurate with the produce that his soil yields having regard to the great fall in the prices of commodities. Unless Government devise means of lessening the interest charges which he has to pay on his debts, the economic condition of the agriculturist cannot fully improve. The land revenue policy of the Government has also aggravated to a great extent the present agrarian trouble and distress. Mere grant of remissions during lean years will not help him. The lands should be so assessed as to leave him to meet the daily requirements of his family. If relief is given in these directions i.e. by way of decreasing these debt liabilities, by offering reduced railway rates to stimulate greater movement of agricultural produce and by adjusting land revenue so as to leave him a fair margin. I am sure the present crisis which is of course mainly due to a substantial fall in prices all the world over, will be to a great extent mitigated. I need not dwell upon the consequent advantages which the betterment of the lot of the agriculturists will bestow on the other spheres of the country in the shape of a greater demand for manufactured articles and of an indirect but sure stimulus to the indigenous industries. I hope this serious problem will be handled by Government at a very early date, as on it will depend the economic recovery of an agricultural country like India.

It is a matter of regret that the Government of India are not still in a position to adjust their financial requirements of the year. With all the new taxations and introduction of surcharges, the year is still expected to close with a deficit of crores. I am afraid if the administration of this country is run on these lines, I will soon be landed in greater financial difficulties. The avenues of securing greater finances by way of taxes direct or indirect, have all now been closed and the country is more heavily burdened than it can afford to bear. The only alternative to my mind, out of its very distressing positions, is a drastic cut or a fair adjustment in the military expenditure of the country and further economy in other directions. The Government of India must either see that the military expenditure is further cut down considerably or a proper and fair adjustment is made with the Home Government owing to the fact that the Army in India is to a large extent maintained for Imperial purposes. Several of the colonies and dominions which depend for their security on the military strength of this country, such as, Australia, New Zealand, the Union of South Africa, Kenya and Mandated Territories in East Africa, should also be made to pay a share towards the maintenance of the Army in India. Another direction in which efforts must be made to adjust the expenditure according to the receipts is the costly machinery with which the administration of the country is run. The emoluments of the Imperial Services and those of the Provincial and other Subordinate Services do require a proper adjustment in view of the prevailing conditions in the country. A poverty-stricken country like India cannot afford to pay the Services on such a high scale and sooner these adjustments are made the better will it be for the future of the country. Otherwise, I am afraid the new constitution, even if it is launched with the approval of all the political parties in the country, will not find proper scope for natural and sufficient development and will be seriously handicapped under the heavy burden of taxation. The nation-building departments in the provinces practically starved down with a view to make available the necessary money for the liabilities incurred by the Government. If India is to find her place amongst the civilised nations of the world she will have to adjust her requirements in a manner as would keep her solvent for generations to come. I sincerely hope the British nation in transferring the powers to the hands of the Indians will not give them a country bereft of economic vitality but will hand it over to the younger generation as a sufficiently solvent country.

Second Day—27th. March 1932

The Federation resumed its session on the next day, the 27th. March and held an interesting discussion on questions relating to exchange and the Federation's position vis-a-vis the Round Table Conference.

PERSONNEL OF NEW COMMITTEE

The President announced that the Committee of the Federation for 1932 would consist Mr. Walchand Hirachand (President) and the following members: Mr. G. D. Birla (Indian Chamber of Commerce, Calcutta), Sir Purusottamdas Thakurdas (Indian Merchants' Chamber, Bombay), Mr. Lala Shri Ram (Delhi Factory-Owners' Federation), Mr. Nalini Ranjan Sarkar (Bengal National Chamber of Commerce), Mr. Kasturbhai Lalbhai (Ahmedabad Mill-Owners' Association), Mr. M. L. Kahnukar (Maharashtra Chamber of Commerce), Mr. Fakirjee Cowasjee (Buyers and Shippers' Chamber, Karachi), Mr. R. K. Shanmugam Chetti (Indian Chamber of Commerce, Coimbatore), Mr. Hoeseinbhoy A. Laljee (Indian Salt Association, Bombay), Mr. M. Mahomed Ismail Sait (Southern India Skin and Hide Merchants' Association, Madras) and Mr. J. C. Ghose (Indian Tea Planters' Association, Jalpaiguri), with Mr. D. P. Khaitan (Indian Chamber of Commerce, Calcutta) and Mr. R. L. Nopany (Jute Balers' Association, Calcutta) as Treasurers.

THE EXCHANGE POLICY

Sir Purushottamdas Thakurdas moved the following resolution regarding the Exchange policy :—

“(A) The Federation records the emphatic protest against the linking of the Rupee to Sterling in spite of the demand of the commercial community to leave the

Rupee free to find its own level at which eventually it may be stabilised. Such action would have enabled the Government to undo the wrong perpetrated on India by over-valuing the Rupee, an action unparalleled in any major country of the world since the Great War."

"Linking the Rupee to Sterling is objectionable particularly for the following reasons : (1) The future management and fate of Sterling are and must remain outside the control of the Government of India. (2) The new valuation of Sterling in terms of gold will be determined in accordance with reconsiderations affecting the economic financial condition of the United Kingdom and may possibly prove detrimental to the economic and financial interests of India. (3) Any claim of any measure of stability being secured by linking the Rupee to Sterling is itself, under the present conditions, not only fluctuating but most uncertain."

"(B) The Federation also protests against the arbitrary manner in which the Secretary of State for India acted, completely ignoring not only the wishes of the Legislative Assembly and the Round Table Conference, but also the declared intention of the Government of India."

Sir Purushottamdas quoted at length from Sir George Schuster's budget speech to refute the arguments employed therein. He said that the Finance Member had admitted that India's exports had suffered owing to the immense fall in the prices of India's raw materials. It was because of this that Indian commercial opinion had been pointing out the injustice of keeping the Rupee linked to the 1 shilling 6 pence Sterling. He continued : "We are told that Sterling having gone off the gold standard, we have now got something well under 1 shilling 4 pence. I would ask those who put that argument forward with a view to misleading those who are now conversant with the subject, what has been the depreciation of Sterling vis-a-vis gold and why India should not have the fullest benefit of that depreciation which England has brought about voluntarily and which England maintains has been the right thing for her."

The speaker referred next to the glowing picture of the signs of the time drawn up by the Finance Member and said :

"I would put the signs of the time thus :—A deficit of 25 crores during the current and previous year in the budget of the Central Government and corresponding deficits in practically all the Provincial Governments ; budget taxation increased during the last two years to the extent of Rs. 14 crores : and Rs. 7 crores emergency taxation in the Central Government. They carry on the Government by Ordinances and have imposed taxation in last October by certification. It is Ordinances both ways. Further, the most depressing part is the diminishing returns that the country is now faced with. The Finance Member has misread the signs of the time and while calling others blind has himself practised the art of self-deception."

Sir P. Thakurdas maintained that the gold that had gone out of India was distressed gold. He suggested that the Government of India should, instead of speculating on the subject, hold inquiries and trace the gold to the sources wherefrom it came and see where the money went. The increase of 9 crores in the shape of holdings in postal savings and treasury bonds was assumed to reflect the surpluses of the masses. Nothing could be more untrue. The middle classes in the towns put their money in these when it brought them better and a safer return than other investments, but so far as the rural people were concerned both the peasant and the *sahukar* were selling distress gold.

Sir Purshottamdas next referred to the concluding part of Sir George Schuster's speech inviting the co-operation of Indians and said : "It is a general appeal to every body in India to give advice and support to the Government. We, in this Federation, have had the courage—some call it by a worse name—to give our advice. That advice has been mostly rejected. We still persist in giving advice, because we feel that our cause is just and based on truth. But if the Finance Member expects that, in spite of the advice being rejected, he should have the support of the people or of this body, I cannot help feeling that he really cannot mean all that he says here. Support can be given only where you approve of a policy (applause). This Federation has felt for some years, that the policy followed by the Government in respect of this question of currency and finance is palpably wrong and against the interests of India. I am afraid that, to that extent, the Federation will have to content itself with being more a critic of the Government policy than a supporter. We feel very strongly that, as long as the policy of the Government in the domain of finance and currency is, in the least degree, influenced by Whitehall, there is no chance of the Government of India, whoever be the Mem-

ber-in-charge, taking or adopting a policy which can satisfy the aspirations and wishes of the people of India. The correct solution therefore of the problem is that we must be allowed to manage our own affairs. A policy either dictated from Whitehall or laid down for us by the Executive Council here, unless it is laid down after consultation with the persons affected by it, must always continue to be looked upon with great suspicion. I therefore feel that, in asking for support, the Finance Member has overlooked the most important aspect of the question, that is, that the Indian public in general and the Indian Commercial community in particular feel that it is very difficult for them to approve of any policy which may be laid down unless that policy is demonstrably in the best interests of India, first second and last. (Applause).

Mr. Begraj Gupta, seconding the resolution, said that the Government's exchange and currency policy had always been against the interests of the country. He felt that one night they would all sleep with the feeling that they had immense riches but the next morning they would find themselves bankrupt with currency notes having no value (A voice: As in Russia). He said that the Government were draining the country of gold and giving paper notes in return. The Government were selling for sixteen annas. Why should India's currency remain artificially appreciated?

Mr. A. D. Shroff said that the constitutional position between England and India made a world of difference. The decision to go off the gold standard was taken in England by the National Government and endorsed by Parliament, but in India it was taken by an irresponsible Bureaucracy ever balancing the claims of England against those of India. But when the Government of India's decision came up before the Assembly even the present weak Assembly disagreed with the Government. He added: "When even this weak Assembly throws the whole thing back to your face and you flout that opinion, have you any business to ask for co-operation from the country? (Hear, hear). Sir George Schuster had claimed that the conditions in India had, as the result of the Government policy, vitally improved. The speaker said: "I challenge the Government to stop the exports of gold for two months, and then have the courage to stand up before the country and say that the conditions have improved and they can meet their remittance programme. We have not sufficient exports to pay for the imports and when we are told that the rupee-sterling exchange has at least given some stability, I ask, "Is it not stability in terms of currency, which itself is fluctuating from day to day, and whose fate is to be determined exclusively by considerations of England and not of those of our country?" I am sorry that enough interest is not being taken in this subject by the people. The Government's currency and exchange policy vitally affects our economic and social rights.

The resolution was passed unanimously.

REPRESSIVE POLICY CONDEMNED

The following resolution was put from the chair:

"Resolved that the Federation confirms the decision taken by its committee as incorporated in their following resolutions:—

"(1) That the Federation is strongly of opinion that the present repressive policy of the Government will be no solution of the existing unhappy state of the country, and urges upon the Government that it should be substituted by a policy of reconciliation, so that an atmosphere suitable for framing a constitution acceptable to the people, and for its smooth working thereafter may be created.

(2) "That the Federation regrets the interpretation put upon the Committee's resolution dated the 22nd January, 1932, in view of the express statement with which it opens that the Committee of the Federation recognise it to be their duty to take part in the framing of a suitable Constitution for India.

(3) "That the Committee heard its delegates to the Round Table Conference, and learns with regret that no adequate opportunity was made available for the examination and full discussion of the question of Reservations, Financial Safeguards and Trading Rights, and resolves that, in its opinion, the question of Financial Safeguards and Trading Rights should be examined by a committee of businessmen, with not less than one-half Indian personnel, commanding the confidence of the Federation, with a view to explore the possibility of an agreed solution of these questions."

Mr. A. D. Shroff suggested that there should be a heart-to-heart talk on this resolution, and that the Press be asked to withdraw, especially as some members had been served with notices not to participate in the discussion. Pressmen thereupon withdrew, and the discussion was held in camera.

The resolution was discussed in camera for four hours.

It was understood that heat was imported at several stages of the debate and while the first two parts of the resolution were adopted without any alteration, the third part which referred to the appointment of a committee on Safeguards, was subjected to considerable alteration. The following is the text of the clause as unanimously adopted in substitution of the third part :

"(3) The Federation feels that having regard to the repressive policy and having regard to the experience of its delegation in London at the last session of the Round Table Conference, participation by its representative in the work of the Consultative Committee can be productive of no good to national interests unless there is a genuine desire on the part of the Government to change that policy and to discuss and come to an agreement with the progressive opinion of India on questions of Financial Autonomy, Safeguards, Reservations and Trading Rights, unless towards this end the Consultative Committee is at liberty to have a free and full discussion and unless the questions connected with trading rights, financial safeguards etc. are referred to a committee composed of an equal number of British and Indian experts, the latter to be such men as command the confidence of this Federation".

The Federation then adjourned *sine die*.

THE S. I. CHAMBER OF COMMERCE.

The twenty-second annual general meeting of the Southern India Chamber of Commerce was held at Madras on 19th March 1932 in the premises of the Chamber with Mr Jamal Mahomed Saib the President, in the chair, when the annual report and accounts of the Chamber were adopted. There was a very large gathering of members. In proposing the adoption of the annual report and accounts for the last year, Mr. Jamal Mahomed said :

The year that has closed was one of alternating hope and fear, a flash of brightness succeeded by a spell of gloom, a brief activity followed by a prolonged stagnation and so on. Just at present, the markets for certain articles, such as groundnuts and cotton with which our presidency is very much concerned, show some slight buoyancy. But the thing is, nobody can be certain about anything, as the general depression has still got its grip on the world.

It is now more than thirteen years since the Great War ended and yet its after-effects are oppressing the world in the shape of problems concerning War Debts and Reparations. Over-production, rise in the standard of living, and the shrinkage of income in many important countries are also the causes of the present situation. But the central and main causes are to be traced to the still unsettled questions of

War Debts and Reparations. Only when these things which disturb the economic structure of the world are settled in a satisfactory manner once for all, the world will be able to leave behind the troubled waters of economic distress and pass on to steady, smooth and normal business.

You know, gentlemen, that one of the ways in which the world economic distress exhibits itself is by the lack of gold in many countries. The United States of America and France have accumulated large stocks of gold while other countries are suffering from a shortage of this precious metal. It is indeed something that America is reported to have decided to release a small portion of the gold in the Federal Reserve Bank for assisting her people through the smaller banks. But America should go still further, if she wants to see the world in a better position and thereby better her own trade. America and also France will have to be considerate and generous and must release substantial portions of their gold stocks for the relief of those countries that are short of same, so that there may be a

better distribution and circulation of the yellow metal, which is very necessary for the credit facilities of the world. These facilities are very badly needed now to relieve the tension in the economic position of the world whose trade is more interdependent now than ever and tends to become still more so owing, amongst other things, to the daily improving and advancing transport facilities.

GOLD EXPORT FROM INDIA

When almost every other country in the world is trying to conserve its stock of gold and increase it, it is deplorable that large portions of the gold stocks of this country which are the results of accumulation of generations are allowed to be exported to other countries. Though the necessity and urgency of placing a ban on such exports has been clearly pointed out, it is a pity that the Government of India have chosen to let the matter alone. It is true that most of the gold coming out is distress gold. No one wants to stand in the way of the people using their gold for tiding over their difficulties nor in the way of people making a little profit out of it. The objection is to the export. Why should not this gold be saved for the country instead of being allowed to go outside for benefitting other countries while we ourselves are badly in need of it?

Such conservation of the gold is all the more necessary in view of the necessity of establishing a Reserve Bank as speedily as possible. For setting up the Reserve Bank in the right and proper manner, we must have adequately large resources of gold. But when shall we have it started, if the gold stocks of the country are allowed to be diminished on such a large scale as is being done now? I earnestly hope that the Government will recognise the necessity at least now, of stopping the export of gold and making the necessary arrangement to acquire the stocks coming into the market for the benefit of the country.

EXCHANGE

I am sorry to say that our grievance as regards exchange has not yet been redressed, though in this case also the country has expressed its desire in an unmistakable manner. In September last Great Britain found it necessary to suspend the gold standard. Then, instead of leaving the Rupee alone, the Government of India pegged it on to the Sterling. It is said that some of the Scandinavian countries and certain Colonies of the Empire have linked their currencies with the Pound Sterling. But have not those countries done so of their own free will on a consideration of their own particular conditions. We too may link the Rupee with the Sterling when the natural and right ratio between these two currencies is found out in the light of trade movements and after the present artificial level has been removed. I would appeal to the Government not to delay any further to put an end to this serious and widespread grievance of having linked the rupee with the sterling and at the artificial rate of 18 pence.

The present depression shows itself, as you all know, in the ultimate form of scarcity of money and of the miserably low level of prices. This state of affairs can, in our own country, be assisted to some extent by the right adjustment of the exchange. Is not all such assistance a necessity under the present devitalising conditions of the country?

I am sorry that the country has to bear an added burden of taxation now when the trade and commerce of the country need all possible relief and lightening of burdens. The Government have indeed adopted measures of retrenchment. But, instead of increasing taxation, they ought to, in the present economic state of the country, pursue further the course of retrenchment and effect more economies. Industry and commerce which are the arteries of the economic life of the country should have all relief and encouragement particularly at this juncture when it feels so heavily the gripping oppression of economic distress.

ROUND TABLE CONFERENCE

I have whole-heartedly to thank you all, gentlemen, for the kind appreciation and approval, expressed by your Committee on your behalf, of what little I have been able to do as a delegate to the Round Table Conference. The said Conference in London concluded in a way which if pursued to its natural developments in the right spirit and manner on all sides should finally solve the problems before the country satisfactorily to all concerned. Committees have been appointed to pursue the work further. That work requires a calm atmosphere and a friendly co-operative

spirit all round. It is most regrettable that such an atmosphere and spirit so necessary for the proper consideration and settlement of such important questions as are now before the country are grievously lacking. Let us pray and hope that such a desired state of affairs will still be brought about again, and a settlement tolerably satisfactory and beneficial to all concerned will be reached.

In this connection, I earnestly hope that all sections of the people will see the desirability and necessity of reconciliation and smooth pursuit of the desired object and that the Government on their part will, with reference to the present state of affairs, always avoid unnecessary harshness and things which may leave behind undue bitterness and discontent.

Further, I also earnestly hope that the different communities of the country may find agreement and cordiality amongst themselves as behoves citizens of the same country, adopting a policy of give and take, which policy is indispensable in achieving great objects. While other countries of the world are each, with a united voice, engaged in grappling with vital issues and trying to forge ahead on the road of rapid advancement and progress in all spheres, is it not a great pity that we should find it difficult even to achieve unity amongst ourselves which is the basis of all national progress?

It is regrettable, gentlemen, that the Government of India, have not yet recognised the necessity of giving the much needed and adequate protection to the tanning industry, which is the foremost industry of our province. May we hope that our Government will now at least give to tanning, a key industry of the country, the increased protection which it requires and richly deserves, especially at the present hard and trying times?

I referred at the outset to the brightening up of certain commodities. Ground-nuts, cotton and rice are amongst the articles that are showing some liveliness with higher prices. Ground-nuts which form the largest export of our province has shown indeed a more marked advance. But because of the past experience, one hesitates to become enthusiastic about such buoyancy. One wonders whether this is a sign of a general and permanent revival or only a spasmodic one, probably due, say, in the case of ground-nuts, to the trouble in China, a grower of ground-nuts; or to a diminution of crops in some places with respect to cotton. I do not want, however, to be pessimistic and hope that this buoyancy may augment and extend itself to other articles showing us round the corner to a better state of affairs. The world has indeed suffered bitterly long enough and I hope that nations will, with no more delay, be able to permanently lay at rest the cruelly exacting night-mare of war-problems and help the world on to the course of normal trade and commerce.

CONCLUSION

In conclusion, I desire to thank you all and other members absent, for your willing co-operation in the work of the Chamber. The Chamber owes a great deal to the unstinted honorary work of its members on the Committee, the sub-committees and the various public bodies, whose excellence of work is clearly reflected in the rapidly improving financial condition of the Chamber and the enlarging circle of membership with individuals, firms, joint stock companies, co-operative societies, and affiliated Associations amongst them. My warm thanks are also due to the Honorary Secretaries and staff who have stood the strain of multiplying work remarkably well and in an uncomplaining manner.

The Bengal National Chamber of Commerce

Presiding over the annual general meeting of the Bengal National Chamber of Commerce at Calcutta on the 11th. February, Mr. Nalini Ranjan Sarkar said :

"The year 1931 has just ended,—a year of tears and travail. It will perhaps go down to posterity as a year of depression and crisis, an epochal year in the economic history of the world. Every nation wanted gold, but many countries were forced to abandon the gold standard. Anxious to defend their economic existence they were attacking the economic existence of others, Fields have ceased

to be tilled, nay more, fruits of the soil have been burnt down so that the cultivators may prosper again. Factory chimneys have ceased smoking to encourage the world to consume more. There are fewer ships on the ocean's highways for so many are lying idle in the docks. Great Britain, once the proud financier of the world, is at the moment an humble borrower offering interest at rates credible only in the case of states of an uncertain status. She has had to borrow from the United States, whose rise to economic manhood she fostered in the old days and from France, much of whose war debts she recently remitted. Yesterday she was the bulwark of free trade, to-day she is busy building tariff walls.

"The Government have embarked upon a policy of repression throughout the length and breadth of the country. Ordinary laws have been suspended and ordinances have been piled one upon another. Leaders of the people have been clapped in jail. Freedom of speech and of the press has been severely restricted. The Government have inaugurated a policy of show of strength. At the same time they are also pursuing a policy of offering constitutional advance. A number of people been invited to the Round Table Committees, and the British members have already arrived in India. It is the same picture of grim contrasts—of friendly protestations followed by stern action—that I have pointed out as characteristic of this epochal year, but which are none the easier to understand from the view-point of sound statesmanship.

"There has been going on a trial of strength between the Government and the Congress, the most widespread and powerful political organisation in the country. The latter is excluded from all deliberations in regard to the framing of the constitution. On the other hand, the Government appear to count upon the support of a section of Mahomedan community represented at the Round Table Conference, as also of a section of the depressed classes represented by Dr. Ambedkar. With these two sections, as with the British elements, Government have formed an *entente cordiale*, with a view to frame a constitution for India. It passes our comprehension how such constitution-building can prove successful. Let us try to realise the situation more closely.

"The real problem that stares us in the face relates not merely to the framing of a constitution, but involves the consideration of all the elements that must go to ensure its workability in the future. The question thus arises, is it at all likely that the constitution, so determinedly sought to be framed by the Government in detachment from the Congress representatives, will be acceptable to the people for whom it is intended? The answer is too obvious to need elaboration. It is pretty certain that the Congress and those whom it represents will look upon such framing of a constitution over their heads as a cause of just grievance to the nation, and therefore in all likelihood these very circumstances of launching the constitution will inspire a determined resistance to its working hereafter. The Government and the minorities expect, perhaps, that it will work, since by crushing the Congress, all opposition will be eliminated. But will the Congress be crushed? The leaders of the Congress who are now in jail, will have to be released some day, perhaps before long, and their antipathy if not active hostility towards the new constitution will then have to be reckoned with. It may even be possible to keep the individual Congress leaders clapped in jail, and thus restrict their liberty of action but the more vital difficulty would remain viz., whether the sterility of these leaders would effectively eradicate from the minds of the people their aspiration for the attainment of a really responsible Government to such an extent, as to make a constitution, framed under such conditions, acceptable to them. Can it be seriously held that the combination of a section of the Mahomedan population and the minorities under Dr. Ambedkar's influence, together with the British interests, work in such effective co-operation as to make a success of the constitution independently of the present-day politically minded people the vast majority of whom hold the Congress view.

"The signs are clearly against such eventuality. There is evidence on all sides of the growing alienation of confidence in and sympathy with the Government owing to its present policy. That repression and discontent grow hand in hand needs no argument to prove. Indeed the London "Economist" of about 3 weeks ago has pointedly said: "In all times and places anti-Governmental movements notoriously thrive in an atmosphere of official persecution." To my mind the effect of the working of the policy so far has vastly increased the already vast uncertainties that have overspread the fate of the nation. I apprehend that the complications that will thrive in the present atmosphere may assume tremendous proportions as time goes on and any real solution will become infinitely more difficult.

"As businessmen we are particularly concerned with the establishment of peace and tranquillity, for without them business needs must become as it has become impossible. We cannot contemplate with equanimity the terrible consequences of a prolonged political struggle between the Government and the people. Therefore in the interest of all parties concerned an immediate and statesman-like move is called for in order to create that tranquillity which alone can ensure smooth working both in regard to constitution building as well as carrying on business, and with such object, passion and prestige, repression and refutation should be forgotten, so that all parties may join in conference. It seems to me that the practical steps that may serve to remedy the very difficult situation that has arisen are these: the immediate grant of full provincial autonomy to be closely followed by responsibility at the centre; in respect of the latter the committees now sitting should leave no stone unturned to obtain the cooperation of Mahatma Gandhi and the Congress in settling safeguards and other incidental matters relating thereto. As a necessary preliminary it is surely only too obvious that the Government should take the only effective preliminary steps of suspending all ordinances and extra-ordinary laws and releasing political prisoners. On the other side, the Congress should also undertake to suspend all activities in connection with Civil Disobedience. And for my part, I cannot doubt the Congress and the country will adequately respond to such a just and generous gesture from the Government, and thereupon cordiality will be restored in the relations between India and Great Britain,—a cordiality to which the best men in both countries look forward."

He next considered some of the outstanding recent events in the economic situation of the country, and in doing so he referred to the steady, progressive deterioration of Government's financial position, in spite of occasional adventitious help from unexpected directions. The Government, he said, had somehow been able to survive a crisis but the general condition was still very unsatisfactory.

"The obvious question that strikes me", continued Mr. Sirkar, "when I consider the problem of the export of gold is: why the Government did not take any steps to check this flow of gold from the country. When every other nation in the world is straining every nerve to conserve its stock of gold, when the Governments of almost all advanced countries in the world have imposed restriction upon export of gold with varying degrees of severity (some of them have even prohibited it altogether), we have the strange example of the Government of India freely permitting gold export, if not actively encouraging it. It could not be, that the Government thought that gold was so plentiful in the country that we could afford to lose a part of it. Indian opinion unanimously demanded the immediate imposition of an embargo. Commercial organisations and Chambers of Commerce protested against the Government's apparent indifference in the face of heavy and continued drain of gold. Your Committee also authorised me to issue a statement wherein we strongly urged the immediate imposition of an embargo on gold and simultaneous arrangement for purchase of the metal by the Government at a fixed price higher than what is now permitted by statute. But the Government did not pay any heed to these representations of responsible bodies like Chambers of Commerce. Their attitude can only be explained by their anxiety about the exchange ratio. They had exhausted nearly all their resources in their attempt to maintain the exchange at 1s. 6d., and yet in September last the rupee was slowly breaking away from its moorings. All reasonable anticipations were against the Government's ability to keep the rupee stable without outside assistance in the form of a foreign loan or actual shipments of gold by the Government. And, as you are aware, they were, as a matter of fact, to invoke the assistance of the British Government in this respect. Then came the world's exchange cataclysm. India abandoned the gold ratio and switched on to sterling. In the new circumstances that emerged from the exchange troubles, it suddenly became profitable to buy gold in India and sell it abroad. Gold shipments filled the gap of a languishing export trade and gave the rupee exchange that support which the Government had almost despaired of getting from any other direction. The conclusion is irresistible, that, on account of the support it gave to the rupee the export of gold from India was allowed to go on unchecked by the Government. And the truth of this remark will be clearly realised if you would glance at the figures for the Balance of Trade during the months of August to November of the current financial year and compare them with those for the corresponding period of the previous year. It will be seen that though there has been almost a consistent tendency for the balance of exports over imports to increase, the figures for the current year are all of them lower than those of the previous year. And if

you will further realise that even with the larger balances last year the exchange could not be maintained at the lower point except with great difficulties and that it has almost touched the upper point with smaller balances this year, you cannot get away from the fact that it is the export of gold which has contributed to this upward tendency of the exchange; and the inaction of the Government of India in the matter can be explained only by their anxiety strengthened by the exchange. If that is so, then the Government have indeed inflicted a grave injury on the country. I cannot for a moment imagine that a Government in these times can consider the maintenance of an exchange ratio to be of greater consequence economically than the protection of the stock of gold in the country.

"Naturally in their disastrous gold policy the Government have had the usual support from foreign commercial interests in India. It is fully in accord with the unbroken, traditional and often unreasoned support these latter have always given to the Government's financial policy. They argue that the export of gold has enabled the Government to effect some expansion of currency, for which Indian opinion had been clamouring and that the Indian sellers of gold have made some profit. The reply is obvious. Indian opinion was in favour of Government purchasing the gold themselves, in which case the currency could still have been expanded, and the sellers could still have had their due profit.

"In the face of such grave events and the universal condemnation that has greeted the Government's policy, the determined silence of the Finance Member is almost amazing. It is rather strange that the Finance Member who has never lost an opportunity to defend his policy, whose lengthy apologies of his financial policy has been such a marked feature of his regime, has scrupulously been maintaining silence. For months the commercial community in the country has demanded from him an explanation of his policy without success. On behalf of this Chamber I request him immediately to explain his policy to the country and the reasons as to why he thought it necessary to take the steps he has taken, and more especially why he has refused to take the steps that were universally suggested by the Indian commercial community.

"The Government of India have hit upon a somewhat novel plan of issuing additional currency without limit against Government securities temporarily purchased from the Imperial Bank. The provisions for issuing emergency currency against inland trade bills, we are told, could not be brought into operation on account of the paucity of bills in the portfolio of the Imperial Bank. The first question I would like to ask in this connexion is, whether it was at all necessary for the Government to adopt such an extra-ordinary method for the expansion of currency. Not that it is not permissible under the law. But this is the first occasion since the passing of the Currency Act of 1923 that the Government have had to resort to this procedure. The Imperial Bank has reduced its rate on loans against Government securities and yet the total volume of the Bank's loans against securities, cash credits and internal bills of exchange is smaller than it was in the busier months of the present season and in the corresponding periods of the last two years with a smaller volume of notes in circulation. It clearly proves that demand for trade accommodation at any rate did not require the issue of emergency currency. Further the seasonal character of the currency expansion, which has been emphasised in the Government communique, is entirely absent from the new issues in so far as no provision has been made to ensure the return of the currency after the 'supposed' needs have been met. Whether these additional issues of currency should be retained in circulation or withdrawn will, therefore, depend entirely on the judgment of the Government—a judgment in which the commercial community has lost confidence."

THE INDIAN ECONOMIC CONFERENCE

The following are extracts from the presidential address of **Prof. T. K. Duraiswami Aiyar**, delivered at the Fifteenth Conference of the Indian Economic Association held at Bombay on the 2nd. January, 1932 :—

That a country with about £4,000 millions of capital invested overseas, which is the greatest international capital market and the repository of much of the free balances of the world should be driven off the gold standard in a time of peace even after the formation of a National Government which gave unmistakable evidence of its determination to balance the budget, is an event of such outstanding significance that the circumstances which led to it require examination.

GOLD STANDARD CRISIS

Strange as it may appear, with reference to the practical Englishman, it was his absence of realism in regard to the working of the gold standard that, in the main, brought about the crisis in England. Having worked the gold standard ever since its inception in a manner that promoted economic progress throughout the world during the period of her unquestioned ascendancy in international finance and banking, England did not quite realise all the dangers inherent in the working of the gold standard since the pound came back to gold parity in 1925. A change had come over the proportion of world trade held by different countries. Whereas the position of the United States of America in that respect became stronger, that of England was weaker. In these circumstances, having regard to the large accumulation of gold in the United States of America, no portion of which she was anxious to release and the steadily increasing drain of gold into France since the Wall Street crisis, England which laid great stress on the supreme importance of maintaining the gold standard should have displayed a greater sense of her wonted realism. It was rather unfortunate that influential organs of public opinion in England together with some of her distinguished bankers helped to divert attention from the peril inherent in the gold situation as it was developing by expatiating on the symptoms of over-production of commodities and the need for the reduction of labour costs. This faulty distribution of emphasis did not give the right lead to English public opinion. One who looks beneath the surface can detect during recent years in England a mild and, it may be, suppressed conflict between two schools of thought. One school represented by some of the great bankers was most emphatic about the maintenance of the gold parity of the pound sterling and called for a rapid reduction in wages and salaries. This school was impressed with the supreme necessity for maintaining the importance of London as an international financial centre. They did not sufficiently realise the danger to the gold standard arising from the growing mis-distribution of gold and did not therefore press strongly for concerted action on the part of the great central banks of the world. This school gave much publicity to a book by a French author who criticised the want of adaptability and flexibility of British Industry while France was helping to undermine world stock of that metal. The other school of thought was, in the main, represented by Professor Keynes, Sir Josiah Stamp and some businessmen. They were particular even like the other school than the competitive power of the basic industries of England should be restored. This school was aware of various conditions that brought about the instability of the economic structure of the world. But they were particularly impressed with the danger to the capitalistic system involved in the massing of increasing quantities of gold in the United States of America and France. They were apprehensive of the heavy fall of prices which may result from this development leading to many countries going off the gold standard. They were keen about exploring the avenues of international agreement in regard to the basis of credit with a view to arresting the fall of prices and reviving confidence. They however did not have the same hold on public opinion as the other school. It was rather extraordinary that those in England who were very keen on maintaining the gold standard did not adequately realise the implication of the steady massing of gold in the United States of America and France. Under the gold standard it should have served as a danger

signal, the import of which it is difficult to mistake. To Great Britain particularly, the development was of ominous significance. For she had a large amount of capital in goods abroad like railways, rubber-estates, tea gardens, oil wells, tin and gold mines. Her economy is partly based on the prosperity of countries producing raw materials and food stuffs like Australia, Argentina, Brazil, and India which a huge fall of prices is likely to place in the category of defaulters. Further, England has been increasingly borrowing funds on short term account. Her internal economy has had to withstand the inelasticity of wage rates thus placing the industries under a great handicap. In these conditions the accumulation of gold in the United States of America and France should have in time shaken England out of her self-complacency and made her withdraw her credits, realise securities and accumulate gold. She did nothing of the kind but seemed to have believed that she could somehow muddle through to success. There was not, one should think, sufficient recognition of the conditions under which alone the very delicate system of the gold standard can work. In the altered condition of international trade and finance since the end of the Great War England did not fill the same relative position as she did before. Whereas before the War England was the dominant world market for capital and she was the foremost commercial country with the heaviest foreign trade flourishing under a policy of free trade, since the war conditions had altered. The foreign trade of the United States of America exceeded that of England and tariffs stiffer and more widespread governed a larger proportion of the world trade. Whereas before the war the monetary gold of the world was dispersed in circulation among the people of many countries besides finding a place in the central banks, it came to be concentrated in recent years to the extent of about 70 per cent in the central banks of two countries only. Having regard to the potentialities for instability inherent in the unsatisfactory political relations subsisting between France and Germany, it was the part of wisdom for England to have adopted a cautious policy of limiting her international obligations on short term account, realising her securities and accumulating gold. Any other policy, whatever justification it might find in pre-war precedents, was out of accord with the requirements of the situation, particularly while great countries like the United States of America and France were sitting tight on a huge quantity of gold which was the basis of the currency and credit system of the whole world.

THE FUTURE OF GOLD STANDARD

The only development that might have enabled England to remain on the gold standard was a check to a further fall of prices, if not a recovery thereof. The political relations between France and Germany gave the finishing touch to an already complicated situation. With the heavy recall of funds from London in an atmosphere of nervousness, England had to go off the gold standard.

One need not, however, deplore the decision of England in view of the fact that under the circumstances governing the continued mal-distribution of gold, the maintenance of the gold standard by England would have led to the dis-equilibrium of the balance of payments becoming much more pronounced than ever. The mere granting of further credits by France and the United States of America just before September 20, 1931, in the absence of a comprehensive policy regarding the gold situation in relation to world price levels, would have enabled England to continue the maintenance of the gold standard for some time more but would have accentuated the unfavourable character of her balance of payments. For, the continued rise in the value of gold which would have supervened would have led to the hardships from which England was suffering becoming more pronounced. The breaking away from the gold standard gave some fillip to industrial production in England. The feeling of something like fatalism that was creeping over England for some time past received a much-needed check. The appropriateness of the action of England in the circumstances received confirmation in the attitude displayed by various other countries in respect of the gold standard. To us in India, a long overdue relief came as a result of the rupee being divorced from 1s. 6d. gold.

The important question, however, is the future of the gold standard. There are many elements of instability in the present situation. The heavy and continued fall in prices has brought about the derangement of the international capital market. For, the debtor countries growing primary products have found themselves unable to stand the strain of the payment of interest on capital already borrowed from the lending countries of the world. There is, besides, the peculiar position of Germany with a cloud of uncertainty hanging over the reparations question and her short

term obligations. A number of proposals are being made with reference to the machinery of currency organisation for the future. Bi-metallism is one such remedy proposed. But in the absence of harmony between the important countries of the world, an eloquent exhibition of which is seen in recent events, there is no chance for old prejudices breaking down and a new harmony developed with reference to the adoption of the proposals for bi-metallism. Another suggestion that is made is to organise the economic and financial structure of each individual country with reference to an index number of prices. The suggestion again cannot meet the requirements of the situation, for the economic structure of the world thus far has depended to such a considerable extent upon international trade that the adoption of the proposal by individual countries of a scheme of regulation with reference to an index number of prices is incompatible with the maintenance of international trade on a level that could square with world prosperity. We are therefore thrown back upon the solution represented by the rationalisation of the gold standard. There is no doubt that, if only international understanding is secured and a genuine peace of mind is brought to bear upon the solution of world economy, a situation is sure to be developed which will permit of all the wheels of international trade running again smoothly without perpetual dislocation of it by impossible tariffs and reparation payments. Given a will to work out a solution, there is enough monetary gold in the world to set the machinery of production and distribution running again so that continued prosperity is achieved. In this connection one feels that a strong permanent committee of economic and financial experts of very high standing well-known for their freedom from obsession of militantly nationalistic outlook and regard for general prosperity and drawn from important countries of the world is urgently called for so that proposals of a very authoritative and reasonable character may be made with a view to breaking the present depression. Until, however, an international solution is reached it will be suicidal if proposals are adopted for restoring the gold standard by England. It is much better that the temporary inconveniences resulting from a fluctuating exchange are endured than a premature attempt is made towards the restoration of the gold standard.

BANKING STRUCTURE IN INDIA

The Banking structure in India like that of every other country is the expression of its social and economic organisation. The scope for raising the structure of credit on solid foundations in the villages depends on the spirit that informs the economic organisation of life undergoing a radical modification. In such event, there will be scope for Co-operative Credit Banks and Land Mortgage Banks functioning effectively and dealing with the problems of short and long term credit respectively. The only scope from the unsatisfactory credit situation of the villages consists in promoting the rapid evolution of conditions that would enable the co-operative movement to work effectively in different spheres like credit, sale purchase and production.

Referring to the part played by the indigenous banker, the President said: The financial resources of a very large number of indigenous bankers scattered over the country are in the aggregate very large and consequently the dependence of this class of bankers on the central money markets is not very much. The Central Banking Enquiry Committee point out that, when the Reserve Bank is established indigenous bankers who fulfil the conditions laid down should be treated as member banks with the right to have their bills rediscounted by the Reserve Bank. In this connection it is not quite clear to what extent the institution of the Reserve Bank will add to the bill portfolio of the indigenous bankers which will make it necessary for them to resort to the Reserve Bank for rediscounting purposes. Looking into the balance sheet of the Commercial Banks, one finds that among the assets of such banks, bills figure only to a very small extent. This shows that there are not enough bills available of such satisfactory character that the banks care to discount them. One of the most important problems that call for examination in this connection is the reason why the structure of industry and trade does not admit of a larger number of bills being created. It may be that the want of confidence on the part of the Banks in many of those who carry on trade and industry in the smaller towns explains this lack of the creation of Bills.

Turning our attention to Commercial Banks, we find that whereas the number of towns in India is 2,300, it is only in 339 towns in 1928 that we find a bank or branch of a bank or agency of a bank. This paucity of banks may be explained by the absence of enough savings which might become the subject of deposits, the small

part played by large scale production by fairly big firms and big retail shops, the extent to which loans are required for consumption rather than production and the greater elasticity characterising the methods of the indigenous bankers.

It is, therefore, obvious that unless adequate steps are taken to improve the agricultural and industrial production, the scope for increased trade and increase in banking facilities is not likely to arise. An analysis of the assets of the Commercial Banks which discloses the very high percentage of investments in Government securities shows that the scope for financing trade and industry by means of loans and advances is rather restricted. This shows that even the available bank-credit represented by the small amount of deposits with the commercial banks is not fully availed of by trade and industry.

It would have been very helpful if the Banking Enquiry Committee had considered at length the question of the suitability of branch banking as contrasted with independent banking with reference to the character and the need for banking facilities in different parts of the country. One often hears complaints that the deposits collected by the branches in particular localities are spirited away to the headquarters, the localities concerned being thus deprived of funds.

The objection that such independent banks would have on their hands large funds lying idle when the busy season of the locality is over, loses its force in view of the fact that, on the establishment of the Reserve Bank, it will be open for the Banks to rediscount their bills and thus avoid the accumulation of cash lying idle in slack seasons.

FINANCING INDUSTRIES IN INDIA

In view of the unsatisfactory development of industries in the country, the Banking Enquiry Committee have devoted considerable attention to the question of financing industries. They have recommended that Provincial Industrial Corporations may be started with Government aid for the purpose. As for large scale industries like Cotton, Jute, Iron and Steel, etc., one feels that private enterprise has been found adequate to finance them. The recent financial difficulties of industrial firms are due to the conditions that affected the raw material and the unsatisfactory nature of the market for finished goods. As for small industries which according to the various Provincial Banking Enquiry Committee Reports, suffer from lack of adequate finance, the question arises whether their difficulties are not due to the absence of the requisite capacity for organising the production of goods with reference to the raw material and the securing of a permanent and satisfactory market for finished goods. The State may devote its attention towards creating conditions under which co-operative organisation may be resorted to with a view to the placing of such industrial concerns on a satisfactory footing. With a scientific system of bounties and tariffs, a spirit of confidence may be promoted which may admit of private enterprise being equal to the occasion in the matter of the provision of adequate finance for industries. The proper organisation of currency and credit by the Reserve Bank to come is likely to reduce the seasonal fluctuations in interest rates with the result that industrial finance will not be hampered by the high interest rates associated with the present currency and banking organisation.

It is rather remarkable that the managing agency system which is associated with successful trade and industry in India has not turned its attention to the line of merchant banking which may be made the basis of an organisation for enabling industries to secure funds from the general public.

The Banking Enquiry Committee have shown great enthusiasm for the very early establishment of a Reserve Bank. For nothing is more striking than the heights to which the bank rate rises in India during the busy season. In a scientific banking and currency organisation there is absolutely no need in the conditions in which the trade of India is conducted in wholesale markets, for the price of money to become very high in the busy season. This anomaly becomes all the more glaring since the percentage of the actual metallic portion of the paper currency reserve is very much higher than what the statute requires. It must be the obligation of the currency authority which in India happens to be the Government to finance legitimate trade requirements at reasonable rates of interest by issuing adequate quantities of additional currency. This is the only method available till the Reserve Bank is established. The term 'emergency' currency is not likely to give a correct notion of the purpose for which the currency is issued. In India, the season during which crops are moved annually requires

huge quantities of additional currency the bulk of which later finds its way back into the currency reserve and the cash balances of the bank with the result that there is a large quantity of currency lying idle in the slack season with banks which does not earn appreciable interest. This demand for additional currency being a recurring one a reasonable forecast of which could be made with reference to the estimate of the weight of the different crops to be moved and their wholesale prices. Means should be found for placing adequate quantities of currency at the disposal of business. It is extraordinary that the combined wisdom of the Imperial Bank, the mighty exchange banks and the Indian joint stock banks has thus far not devised a machinery for inducing the Government to place the required amount of funds at the disposal of trade at reasonable rates of interest so that the producer of the staples of export trade may get better prices for his commodities and those engaged in industry may have the advantage of cheaper money. It is true that Government officials in charge of the Currency Department may not have the requisite qualifications and may not be competent to transact what is, in essence, a banking operation. It may, further, be urged that the issue of 'emergency' currency can only be made against trade bills which are not available in the Indian market of sufficient quantity. These two objections though of some validity can be overcome. If the loans from currency reserve are made in the busy season for a short period against Government paper which the banks in India hold in large quantities, say at 6 per cent, it will have a beneficial effect on the producer of primary commodities and those engaged in trade and industry. Government officials may easily manage this business. A total limit of issue by Government may be set from year to year having regard to all relevant circumstances, like the estimate of the weight of crops to be moved, their prices, the presence or absence of speculation and the composition of the currency reserve. The sum total so fixed can be rationed among all the banks on the basis of the average amount of the loans and advances of each bank. At any rate since some considerable time may elapse before the Reserve Bank becomes an established fact, the ingenuity of the commercial world in close co-operation with the Government which is the currency authority must find some means by which the burden of high interest rates for financing legitimate seasonal trade should be removed. There is, however, at present an obstacle in the way of any improvement of the kind suggested above in view of the high level of the bank rate rendered necessary by the very difficult position of international finance and Indian exchange.

Discussing the present industrial depression, the President explained why the peasant should suffer if prices of his product fall. He said: There need not be any suffering if all his obligations including the goods he buys and his debt burden are reduced in price correspondingly. The trouble is due to the fact that depression affects different goods in different degrees, commodities differently from services, and leaves untouched contractual obligations expressed in terms of money.

Turning next to the reaction of the depression on currency and finance, one feels that the effects have been very harmful. While many of the sources of revenue, like customs, income-tax, excise, stamps, etc., shrink under conditions of depression the expenditure of Government being to a considerable extent contractual in character offers a great resistance to retrenchment. It may be urged from a theoretical point of view that apart from external obligations in gold which become burdensome in kind as a result of a fall in prices, depression need not necessarily lead to distress provided adjustments of prices, wages and debt burden are effected. In the modern money economy such adjustments are very difficult for a number of reasons. Many obligations like debts are contractual in terms of money. The prices of different commodities move down with different velocities and the prices of services react very slowly to a fall in prices. These elements of friction are the causes of distress due to depression.

The currency situation in India has undergone a transformation on account of the depression. The Governments of countries like Argentine and Australia, who produce foodstuffs and raw materials, depend on continuous imports of capital and have to meet external obligations on account of interest are in a similar position to India. They had to go off the gold standard. In India the Government was very hard put to it in the matter of maintaining the exchange value of the rupee. Even as going off the gold standard in the peculiar conditions of the working of that standard recently brought relief to England, the divorce from gold of the rupee has had a beneficial effect on Indian economy. The controversy over the exchange value of the rupee has almost lost its meaning, now that the pound sterling is depreciated

in terms of gold. The value of the rupee hovers about 13d. only gold at present. The real burden of the national debt of India, sterling and rupee, has been reduced considerably. The currency question throughout the world is in the melting pot, and the currency system of India even as that of every other country in the world is sure to be organised with reference to the economic situation of the country as a whole thus safeguarding the general and permanent interests of the country.

ECONOMIC RECONSTRUCTION

Perhaps no question is of greater moment at the present day than the determination of a plan of social and economic advance for the immediate future of our country. A realisation of the gigantic nature of the problem that confronts the country is essential if support is to be forthcoming for suitable measures towards remedying the situation. It is no less than providing elements of decent life for about 350 millions of God's humanity, one-fifth of the human race. The condition precedent for economic progress is distinct realisation on the part of the leaders of the people that economic progress is not only desirable but an urgent and overwhelming necessity. Secondly, there ought to be a general conviction that it is possible and practicable to adopt measures and devise courses of action that will have the happy result of promoting material welfare. Thirdly, whatever customs and practices stand in the way of economic progress should be subjected to a close and searching examination and public opinion should be convinced of the necessity for strong measures for their abolition. Fourthly, there ought to be the readiness to find the requisite money for carrying out policies that would promote material welfare, due care however being taken to secure that the governing consideration in the application of such money should be efficiency. Fifthly, an organisation has to be created which will be entrusted with the work of devising suitable measures of economic amelioration. In this connection we are happy to record that the Government of India recently invited Sir Arthur Salter of the League of Nations to report on the organisation of Economic Advisory Councils for India. His report was published a few months back and deserves thoughtful consideration. The prosperity of nations is so much bound up with the proper solution of complex economic problems that most advanced countries like England, Germany and France have felt the need for such agencies and have made provision for them. A body which can take a view of the economic problem as a whole and consider it in relation to other spheres of social life as well as particular economic questions is an urgent necessity, if economic progress is to be steadily pursued and waste is to be avoided. In the special circumstances that surround political evolution in India at present, the overmastering need for an authoritative and competent body charged with the discussion of important economic questions and formulation of suitable measures is obvious, if economic improvement is to be progressively achieved without being interfered with by the play of party politics.

Let us sketch briefly some of the main problems that will have to be investigated by the proposed Council. Of foremost importance is the condition of the agriculturist. Rural indebtedness is now estimated to stand at about 900 crores of rupees. The recent catastrophic fall in prices has added tremendously to the real burden of such indebtedness. It acts as a dead weight on agricultural production. Though interference with the normal operation of economic laws may sometimes let loose forces disastrous in their operation the case for a fresh examination of the relations of debtors and creditors in our country-side may be of a compelling character. It should be one of the first tasks of any Economic Advisory Council to take in hand this problem, examine it in all its bearings and suggest suitable and if necessary bold measures for dealing with it.

It may not be out of place to point out that the indebtedness referred to has grown largely out of social and moral causes which require energetic handling if the peasant is to turn over a new leaf. Here comes the importance of devising methods which will raise his standard of life. All the available agencies including Government and leaders of public opinion must be infected with an enthusiasm for such a cause. It will be one of the foremost task of the Council to devise expedients of different kinds towards achieving this end. Non-official Councils will have to be organised from the village upward and officials should also be in close association with them in an advisory capacity. The executive authorities of the district should be in friendly and active touch with such organisations and all the departments of Government should take a lively interest in measure of amelioration and help towards creating an atmosphere favourable for progress. This will help to form the

much needed public opinion in favour of progressive politics. Methods of procedure should be worked out and devised, adopted so that the members of the village council would take a lively interest in self-improvement of different kinds, display a readiness to tax themselves and maintain a record of the different aspects of the economic life of the village bringing it up to date.

Next comes the colossal task of bringing about the application of science to agricultural and industrial production. The question whether legislation is necessary for the purpose of securing consolidated holding requires examination. The co-operative movement is not functioning properly on account of the absence of the true co-operative spirit. The weak points should be searched out and remedied. The movement should be broadened and deepened. The adoption of measures with a view to the creation of a healthy balance between agricultural and industrial production in the country should be one of the prime tasks of the Council. There are various other questions to be investigated like the middle class unemployment, the balance between different kinds and stages of education, the extension of irrigation facilities in the absence of safeguards for improved method of cultivation being adopted, the relations on economic progress of an increase in population, the economics of public health, the incidence and distribution of taxation, Central Provincial and Local Government's relation to the money market, purchase by Government of private railways, the contribution by Railways to the treasury, State policy in regard to the electrical development, the creation of warehouses, the operation of railway rates and the development of canal traffic.

It may be urged that questions like the above have not been neglected thus far, and the reports of various Committees and Commissions appointed to investigate and report on specific economic questions attest the earnestness of Government. The weak point in the system consists however in the circumstance that there is no authoritative and competent body to review each economic problem in relation to other economic problems and the whole sphere of social life. Apart from this there is the disadvantage involved in the fact that a period of agitation has necessarily to elapse before a Committee may be appointed to deal with any question. The treatment thus has a tendency to become sporadic, fragmentary and imperfect. This perhaps explains why the reports of the various Committees have not been implemented by the Government of India. A permanent body with a continuous tenure dealing with the economic life of the people as a whole and specific economic questions, is likely to furnish the requisite co-ordination and continuity of policy, to awaken a new sense of responsibility on the part of the Government as well as the people and to create necessary traditions.

While developing plans for economic reconstruction one cannot help reflecting on the difficulty likely to be experienced in securing the necessary finances. But it should not be forgotten that the expenditure incurred in this connection is on a par with that incurred in the reorganisation of a business which has drifted into employing sloppy methods and using antiquated machinery. Only great care should be taken to secure that the interests of efficiency receive paramount consideration in the matter of the constitution of the Council. Financial stringency ought not to stand in the way of the organisation of an institution with the proper functioning of which is bound up the rapid expansion of the economic efficiency of the people and the augmentation of the sources on which public revenues depend.

Any avoidable delay in this respect is likely to have unfortunate results. The earnestness of keen men combined with the sense of frustration induced by unsatisfactory economic conditions is producing a number of fertile suggestions for development on different lines like a five-year plan for education, a rapid scheme of sanitary improvement, and State promotion of industrial banks. In the absence of a co-ordinating agency inspiring confidence by its efficiency and authoritative character, there is the danger of the State being stampeded into incurring expenditure on particular schemes which for lack of co-development of correlated schemes may fail to yield the expected results. Given satisfactory Economic Councils, given knowledge, courage, a sense of sacrifice and above all a spirit of good-will, the arrears of economic development that have accumulated may yet be cleared up in a short period and the vast population of this land will come into the possession of a rich life and enjoy material welfare of the kind which is open to the population of advanced countries like England and Japan.

BRITISH INDIA & INDIAN STATES

JANUARY—JUNE 1932

THE CHAMBER OF PRINCES

Opening Day—28th. March 1932

TRIBUTES TO THE VICEROY

There was a record attendance of Ruling Princes at the Eleventh Session of the Chamber of Princes which was opened by H. E. the Viceroy at New Delhi on the 28th. March 1932. Before the Viceroy's address a cordial welcome was extended to Lord and Lady Willingdon by a resolution moved by the *Nawab of Bhopal*, the Chancellor, which tendered sincerest good wishes to His Excellency.

The *Maharaja of Bikaner*, welcoming the Viceroy, said that Lord Willingdon when he was Governor of two presidencies, had already given ample evidence of his sympathy with the Princes. The incomparable personality of Lady Willingdon and her universal popularity and esteem required no mention. Both their Excellencies were known also for their hospitality. He felt sure that India's hope in the present Viceroy would not be in vain.

The *Jam Sahab of Nawanganur*, on behalf of the Western Indian States, associated himself with the resolution and said that he was personally proud to welcome His Excellency as a fine sportsman, a warm friend and a wise counsellor. His Excellency had, during the last few months, embarked on a period of constructive endeavour for securing India her legitimate place in the Empire. In Lord Willingdon India as well as the Empire had the right man in the right place.

The *Maharaja of Alwar* said that Lord Willingdon possessed two very essential qualifications of a Viceroy, namely, courage and statesmanship, courage combined with firmness and strength and imagination combined with sympathy and foresightedness. That India should have such a Viceroy at the helm of her affairs when constitutional questions were on the anvil was really India's good luck. His Highness hoped that before long Lord Willingdon would be the first constitutional Governor-General of British India and would be, as he had always been, the best friend of the Princes. He wished Lord Willingdon every success in his endeavours firstly to establish peace and a happy administration and secondly, to prepare the ground for inaugurating the Reforms.

The *Maharaja Rana of Jhalawar* said that the Viceroy had introduced a new phase in the Princes' relations with the Crown by inspiring a feeling that with him at the helm of affairs, they could always look forward to sympathy, fair-play and justice. He felt confident that by progressive and beneficent administration within their own States they would strengthen His Excellency's hands further and justify and deserve this policy and his friendship. India had reasons to be grateful to the Willingdons for the great cultural and social understanding between the East and the West which would prove a stronger tie than any political or constitutional formulas.

The *Maharaja of Rappipla*, the *Chief of Sangli* and the *Chief of Phaltan* supported the resolution in glowing terms and it was carried amid cheers.

The Viceroy said that he had felt embarrassed in putting that resolution which was supported in extraordinarily charming and grateful language. As regards himself their welcome had been far too generous. His successes, if he had any success in public life, had been very largely due to the fact that he had always around him good friends, good supporters and the best possible advisers. He said that such words as had been expressed would be a source of encouragement in assisting him in carrying out the difficult and onerous duties of the Viceroy of India at the present time.

TRIBUTE TO DEPARTED PRINCES

The Chancellor, the *Nawab of Bhopal*, then moved the following resolution: "The Chamber of Princes record its heartfelt sorrow at the lamentable demise of Their Highnesses the Maharajas of Cochin, Idar and Benares, the ex-Raja of Cochin, and the ex-Raja Sahab of Bilaspur, together with a sense of the loss thereby sustained by the entire Order of Princes and offers its sincerest sympathies and condolences to the bereaved families."

The *Chancellor* paid a tribute to the work done by the deceased Princes and after *H. H. the Jam Sahib* had seconded the resolution, it was passed, all standing.

WELCOME TO NEW RULERS

The *Chancellor* next moved : "The Chamber of Princes offers its heartiest congratulations to Their Highnesses the Maharajas of Travancore, Cochin, Bhavnagar, Benares and Idar and the Nawab Sahib of Loharu and the Thakore Sahib of Rajkot on their assumption of powers and welcomes them all in its midst, wishing them a long and prosperous reign." His Highness said that he was sure the new members would prove a tower of strength to their cause, and that they would render service to the Empire, their own Motherland and to the States.

The Maharaja of Travancore and the Maharaja of Benares acknowledged the welcome and thanked their brother Princes.

The *Maharaja of Travancore* acknowledging the welcome accorded to him said : "I feel honoured as well as touched by the cordial welcome that has been accorded to me by my Brother Princes, and by the expressions of kindly comradeship that have accompanied the welcome. On such an occasion, I can and shall say no more than this : that it will be my endeavour to maintain our traditions and to co-operate under the aegis of the Crown in the great task of preserving our individuality and our heritage and simultaneously of working for the common good and uplift of our country. It is my good fortune to have inherited from my illustrious predecessors settled and progressive system of administration, working in close contact with my people and in sympathy with their needs and aspirations. It will be my ambition and my happiness, with the goodwill of the Viceroy and your sympathy, to proceed along these lines and to fulfil my responsibilities to my people and to the Motherland.

The Viceroy's Address

His Excellency the Viceroy then delivered his address in opening the sessions of the Chamber. The following is the text of His Excellency's speech :—

Your Highnesses,—It is wholly unnecessary for me to express the great pleasure that I feel in presiding, for the first time in my position as Viceroy at this, the eleventh meeting of the Chamber of Princes—a pleasure which is much enhanced by the fact that I am meeting and greeting to-day a number of Your Highnesses whom I can claim as my close and valued friends and by the further fact that, during many years of public service in India, I have always been able to take a keen active interest in all matters connected with your Order. I have already, during the past eleven months, experienced the manifold advantages obtained from informal discussions with many of Your Highnesses and I welcome this new opportunity of being associated with your more formal deliberations on the many vital and important matters now engaging your attention.

TRIBUTE TO DEPARTED PRINCES

Since its last sessions in March 1931, your Chamber has lost by death three of its members. Only on Saturday last, I heard that His Highness the Maharaja of Cochin had passed away. He succeeded to the gadi in 1914 on the abdication of His Highness Raja Sir Rama Varma, whose death we also have to deplore, and he attended Your Highnesses' early conferences in 1916 and in 1919. Since then failing health had been his portion, and he took no part in the formal meetings of the Chamber.

His Highness the Maharaja of Idar was my old and valued friend, and the news of the sudden death almost at the moment when he had come to welcome me at Bombay was a great shock to me. On my arrival as Governor of Bombay, I recollect spending my first Christmas in India under his hospitable roof. A man of conservative ideas, he stood somewhat apart from the stream of modern progress and I am told that he had never attended the sessions of your Chamber. A Rathor Rajput, he inherited the martial traditions of his race and served the Empire in Egypt during the Great War.

His Highness the Maharaja of Benares who died within the last few months had, I am informed, twice attended the sessions of your Chamber. He was a ruler of the best type, just, high-minded, and caring above all things for the progress and prosperity of his people. Since the Benares State was formed in 1911, I think, it is true to say, that he proved himself to be a distinguished and worthy member of Your Highness' Order. Both Your Highnesses and the Chamber are the poorer by his loss.

I must also refer to the death of His Highness the ex-Raja of Bilaspur. Afflicted by ill-health, he had for some years before his death abdicated his high office in favour of his son, and had resided in retirement at Benares.

Nor can I omit a reference to Their Late Highnesses the Senior Maharani-Regent of Gwalior and the Maharani-Regent of Dhar, who have both died within the year while carrying out devotedly and successfully the task of administration in the interests of the minor Maharajas. Both the ladies were distinguished by their high sense of duty and justice, and have nobly vindicated the high tradition of Indian womanhood in positions of authority and responsibility.

I am sure, Your Highnesses will join with me in expressing sympathy with all the bereaved families and welcoming to your Chamber those of their successors who have assumed the duties and responsibilities of high positions to which they have been called.

DELEGATION TO GENEVA

At the meeting of the League of Nations Assembly held in 1931, for the first time a State Minister and not a Ruling Prince represented the Indian States. With the kind permission of His Highness the Maharaja of Kapurthala, Dewan Abdul Hamid was enabled to undertake this duty, and I am informed that he carried out his onerous and responsible labours with great success and distinction. He has shown at Geneva that not only the Ruling Princes of India, but their Ministers also can hold their own with the delegates of other nations. I feel sure that Your Highnesses would wish to express your appreciation of the manner in which Dewan Abdul Hamid had discharged his responsibilities.

CHANGES IN CHAMBER'S CONSTITUTION

I notice from your agenda Your Highnesses' intention to alter certain of the articles in the Chamber's constitution. I am given to understand that the system of having substitute-members for the Standing Committee was only initiated a year ago, and there has, therefore, not been any long period in which to test the merits or disadvantages of the system. I should have been inclined to suggest to you to give the present conditions a little more time to be tested before making the changes that are proposed. I fully appreciate that your object is of course to secure a quorum of the Standing Committee at all times and this can, doubtless, be obtained by increasing the number of your members. It is perhaps less invidious to be a member of the Standing Committee than to occupy the position which has hitherto been designated substitute-member. On the other hand, it is a general experience that committees can be too large, and though I am not prepared to say that nine is an excessive number, still the despatch of business tends to be more expeditious where the numbers are fewer. With these general remarks, I am quite content to leave any decision on this matter to Your Highnesses, who, no doubt, appreciate better than I can your feelings on this question.

STANDING COMMITTEE MEETING

Only one meeting of the Standing Committee of your Chamber has taken place since its last session. I need hardly say that this does not imply on the part of its members any neglect of your interests or failure in their responsibilities. And here I should like to make some observation of a personal character and assure you that, if there has been any delay or neglect in advancing the consideration of the many detailed points that Your Highnesses have, as I well know, so much in your minds, the fault has not in any way been due to His Highness the Chancellor; for I can personally say and I know it for a fact, that, from the moment I landed at Bombay he has never wearied of attending to these matters on Your Highnesses' behalf, and I can sincerely pay my tributes to his untiring zeal and energy in his endeavours to secure decisions on the various problems. Last year too has been so occupied by the special problems of the Round Table Conference that many of the topics now under discussion in the Standing Committee, have necessarily required to be put aside temporarily. Many of them are directly affected by the problems of Federation and cannot hope for a final solution until these have reached a decision, while others are not of the same urgency and importance as those connected with Federation. Most of the members of the Committee have also been in Europe as members of the Round Table Conference itself, and it has been difficult to arrange meetings for this purpose until after their return. I understand, however, that at the meeting held earlier this month, useful progress has been made in certain of the weighty

matters that have been for some time past under discussion with my Political Department. I am informed that one of them, relating to acquisition by the Ruling Princes and Chiefs of non-residential property in British India, has achieved the record of a tenth summary. It is now being placed before the Chamber, and let us hope that after so many rebirths it will at last earn Nirvana by a final settlement.

I am glad to learn also that it has been possible to meet Your Highnesses' wishes in certain matters in which the exercise of railway jurisdiction by my Government within your territories had been causing you practical inconvenience.

If, however, the volume of work from the Standing Committee for presentation to the Chamber is smaller than the normal, I think I can claim that we have made considerable progress in two other directions which are of great interest to Your Highnesses. The Committee on Ceremonials appointed by the Standing Committee to examine these special matters has expended considerable time and labour in discussions both with myself and my Political Secretary, and we have on many points reached agreements which will, I hope, prove satisfactory to the Chamber. It has unfortunately been impossible to complete them in time for the present session, but I have every hope that they will be ready for your consideration at the next meeting of the Chamber.

PARAMOUNTCY QUESTION

I have also recently had the benefit of discussions with your Standing Committee on the very important question of Paramountcy, and here too I think those who were present will agree we have advanced a long way towards agreement in many of its aspects. I cannot now give the details since it is obviously undesirable to discuss them at the present stage, but I have every confidence that, before the meeting of the Chamber next year, we may be able to announce a clear policy in this matter, for I know well that it is a question which has greatly exercised your mind for some time. If I were to give you, in very general terms, my views of the main obligations under paramountcy of the two parties concerned, I would express it in the following manner :—

The Viceroy as representing the Crown, has the duty of guaranteeing to the States the absolute security of their rights and privileges which have been assured to them under their treaties, sanads and engagements and, if necessity arises, to give protection to any Ruler : while the Rulers on their part, have the duty of administering their States in a sound, satisfactory and progressive manner for the welfare and benefit of their subjects, which will strengthen their position under their treaties, and let us hope render entirely unnecessary the effective protection of the Crown.

Let me add that I hope, and believe, that the result of our deliberations will be to remove of your anxieties and to resolve most of your difficulties and confirm in a practical manner the assurances—frequently given to you in the past of the inviolability and security of your position under your treaties, sanads and engagements.

ENFORCEMENT OF LAW AND ORDER

In these days, when efforts are widely made to subvert law and order throughout this country, it is my duty to give you all possible assistance in maintaining your lawful authority ; and this I am determined to do. I acknowledge gratefully the many messages that have reached me from the members of your Order approving of my decision to enforce law and maintain order at any costs in British India and offering any assistance that may be required. You, I am sure, recognise that the States cannot stand entirely apart from their neighbours in British India. Disorder and lawlessness, if unchecked, must spread from the one to the other. Your Highnesses, therefore, are closely concerned with the stability of conditions beyond your borders, just as in the converse case, unsettled conditions in the States may have their repercussions in the British Provinces. It cannot, therefore, be said that in conveying to me your sympathy and approval in the policy which I have been compelled regretfully to adopt, within the last few months, you are intervening in matters that do not concern you.

Moreover, Your Highnesses realise as well as I do, that force and repression cannot be an end in themselves and that I have only adopted them so as to produce conditions in which we may be able to proceed with the details of the great constitutional changes that are impending and under which it may be possible to introduce and work them successfully. It is in the firm belief that we shall, before long, be able to inaugurate a new era in the

constitutional history of this great country that I am determined, at all costs, to secure and maintain the peaceful conditions under which alone such progress may be made. Any other path can lead only to chaos; and he would indeed take a heavy responsibility who allowed India to slide into that abyss. I am grateful in the knowledge that I can count on the help of all Your Highnesses in my efforts to ensure the orderly progress of India to her appointed destiny.

SATES AND FEDERATION

Nearly two years have elapsed since in London your representatives took the momentous decision to join an All-India Federation and, to co-operate with the representatives of British India in working out its details. An idea so attractive has appealed strongly to all the interests concerned; and the strength of their belief, that it is the best solution of a most difficult problem is demonstrated by the energy and enthusiasm with which during the last eighteen months they have all laboured to remove the many difficulties lying in its path. It is a mistake to under-estimate or be blind to these difficulties. Many interests are involved and of these some are conflicting. But there has, I am thankful to say, been throughout a realisation that they must not be permitted to block the path towards the ideal, and that a solution for them must be found. Believe me, I sympathise keenly with your doubts, and misgivings which are inevitable, when changes of magnitude and importance such as these have to be undertaken. You desire what is best for India as a whole, but each one of you is naturally concerned to see that the new conditions will not imperil your own existence or that of the system of Government which you believe to have still much of value to contribute to the progress of your own country. The time for consideration has doubtless appeared short when compared with the importance of the issues involved, and I must congratulate Your Highnesses on being able, within it, to reach what I understand are agreed conclusions on most of the main points.

If, as I hope, the resolutions upon the agenda receive the approval of your Chamber, a great step will have been made towards the settlement of the problem. There have been times when the prospect of such a settlement has seemed remote and it is a source of the keenest satisfaction to me that with the wise and able assistance of your Minister, you should have reached decisions not inconsistent with the early establishment of a Federal system in India.

I am glad that I may look forward to the future meetings of this Chamber where we can take counsel together for the further progress of this great scheme. But I cannot imagine a more important or critical session than this at which it is my pleasure and privilege to preside for the first time. It is difficult to visualise a time when Indian Princes had no common forum for the discussion of questions of joint interest to them all, but events move rapidly in a modern world, and what appeared to be a startling innovation yesterday becomes ordinary commonplace to-day. The experience of Your Highnesses in this direction in your own Chamber may, I would suggest, make you ready to face the prospect of still further constitutional changes with courage and confidence. Change must always seem doubtful to minds nurtured in a conservative tradition, but political wisdom consists in realising that new conditions require new measures and remedies and that our intellects and judgment have been given us to decide which path offers the more advantages and the less danger and to choose it accordingly.

In ending my introductory remarks at this my first session of your Chamber, I would express the hope that you will enter upon it inspired with courage as well as caution, and with an earnest desire for the common weal, both of your own people and that of the Greater India of which you form a part.

Second Day—29th. March 1932

CHANCELLOR'S STATEMENT

An interesting statement reviewing the work of the past year was made to-day by the Chancellor, the *Nawab of Bhopal*. He said that meetings of the Standing Committee were held early in March, and seven questions were discussed. Of these, the question of the acquisition of non-residential property had been disposed of and the inclusion of the talukas of Mansa, etc. in the electorate for representative members had been referred for further examination, while the question of censorship over telegrams was under discussion.

It was proposed that a deputation of Princes should pursue the discussion of this important matter with the Viceroy. The question of the construction of dams was discussed at a joint conference of Ministers and Government officers, and it was postponed to enable legal advice being taken by them on the subject.

The question of retrocession of jurisdiction over railway lands was fully discussed. The arrangements agreed to briefly provide for (1) dealing with offenders on railway lands; (2) the issue by the State officers of licenses for carrying arms on railway lands by the subjects of the Princes; (3) frequent and regular touring by railway magistrate for the convenience of the State subjects, and (4) retrocession of sovereignty to States as distinguished from jurisdiction in cases where lands had been ceded in full sovereignty for railway purposes. The main question of retrocession of jurisdiction would be further examined.

His Highness the Nawab of Bhopal continued :—

"The question of compensation in the event of a railway being constructed which adversely affects the interests of an existing railway or tramway, has been referred to a committee consisting of the Ministers of railway-owning States and others, especially interested in it.

"Besides the questions enumerated above, the Political Secretary discussed the following matters informally with the Standing Committee :—(1) The proper arming of the police forces of the States; (2) the training of cadets for Indian State Forces at the Royal Military College, Sandhurst; (3) the difficulties experienced by the Indian States as regards armament of their armies and police; (4) special service officers for the Indian State Forces required for mobilisation; (5) the question of the financial liability of the Indian States for deportation of French Indo-China subjects. In regard to the proper arming of the police, I am glad to be able to inform your Highnesses that the Government of India have now agreed to remove many difficulties which we have been experiencing. Discussions on other questions are in progress, and some ground has already been covered. It is hoped that these discussions would be concluded before long.

"Apart from these the question of Paramountcy and Honours has also been carefully examined. Under the direction of the Standing Committee, I addressed a communication to His Excellency the Viceroy and forwarded notes embodying our general opinion on these matters. The question of ceremonial honours was afterwards formally discussed with the Political Secretary by a special committee consisting of Their Highnesses of Kashmir, Bikaner, Patiala, Alwar and myself. The discussion has revealed many points of agreement, and I hope that, with the sympathetic support of the Viceroy, these matters may be carried through to a successful conclusion. When this hope is realised, Your Highnesses will agree that the relations between the Ruling Princes of India and the representative of the Crown will be much happier.

"The important question of Paramountcy was the subject of prolonged discussions between His Excellency the Viceroy and the Standing Committee, and it is hoped as His Excellency announced yesterday, that the result of our deliberations will be to remove many of our anxieties and to resolve most of our difficulties and confirm in a practical manner, the assurances frequently given to us in the past of the inviolability and security of our position under our treaties, sanads and engagements."

Concluding, the Chancellor expressed his special gratitude to the Viceroy and thanks to the Princes and to the Political Department, and announced that he would not seek re-election for the Chancellorship.

APPRECIATION OF STANDING COMMITTEE'S LABOUR*

The *Maharaja of Kolhapur* moved : "This Chamber records its appreciation of the work done by the Standing Committee and its gratitude for the services rendered by Their Highnesses who belonged to it."

The *Maharaja* said that the Standing Committee had to tackle the most momentous problems and had proved themselves fully worthy of the trust reposed in them. He added : "They have shown their capacity to deal with those questions in a manner that may well entitle them to be called constitutional lawyers. The Committee found time to investigate thoroughly and prepare and discuss such vital questions as paramountcy and ceremonial honours. I am sure we are grateful to know from the Viceroy's speech and from the Chancellor's report that good progress was made in the discussions held. The speeches which have emerged from the B. T. C. and especially

on safeguards, which all of us are so very anxious to secure, are all the outcome of their earnest labours for the whole Order of the Princes, big and small and we should be failing in our duty, if we were not to express our sense of gratitude to them." It was fortunate that at this period, in their history, representatives of Indian States should have consisted of such selfless and patriotic men. He mentioned among their constructive contributions, settlement on delicate questions like paramountcy and ceremonials.

The resolution was adopted unanimously.

WORK AT THE LEAGUE OF NATIONS

The *Chancellor* next presented the report of Dewan Abdul Hamid who represented the States at the last session of the League of Nations. The Chancellor thought a good precedent had been established, that one of the Ministers might represent the States and hoped it would be followed, but certain points would have to be cleared up in the representation of States by Ministers. He moved a vote of thanks and an expression of appreciation of the very creditable manner in which Mr. Abdul Hamid had acquitted himself as their representative.

The *Maharaja of Bikaner* seconded the resolution. He was pleased to see a precedent created and although there might be some points to be settled further in this connection, he had great pleasure in seconding the motion. This was unanimously passed.

STATES' DELEGATION TO R. T. C.—BHOPAL'S STATEMENT

The *Nawab of Bhopal* then presented a statement reviewing the work performed by the Chambers' representatives at the Round Table Conference. At the outset he read the following message received from His Highness the Maharaja Gaekwar who was the leader of their Delegation in England :—

"Your Highnesses—The second session of the Round Table Conference was held in London last year. Owing to my ill-health I was not able to take a full part in it. His Highness the Nawab of Bhopal as Chancellor of the Princes' Chamber had to take my place and do the whole work for which we cannot thank him too much. With these few words I commend to Your Highnesses the Report drafted by His Highness the Nawab Sahab".

The Indian States' Delegation to the Round Table Conference was enlarged by the nomination of Their Highnesses of Indore, Cutch and Kapurthala, the Rajas of Korea and Sarila and a representative from Travancore. His Highness the Maharaja of Kashmir who was unfortunately not able to be present at the Conference was represented by Colonel Haksar, while Nawab Liqat Hyat Khan acted as substitute delegate to His Highness of Patiala who was also unable to attend the Conference.

The Federal Structure Committee was summoned to meet in London on the 7th. of September. Our representation on the Committee was strengthened by the addition on Their Highnesses the Maharaja of Baroda, the Maharaja of Rewa, the Maharaja Rana of Dholpur, and the Chief of Sangli.

The committee met again in St. James's Palace under the Chairmanship of Lord Sankey. Owing to ill-health His Highness Maharaja Gaekwar was not able to take part personally in the detailed work of the Conference throughout and his place in the Committee was taken by his Minister, Mr. V. T. Krishnamachari. As the Chancellor of the Chamber of Princes, I was therefore entrusted with the active leadership of the Delegation.

Your Highnesses have been kept fully informed through the weekly bulletins issued from my office of the work done by your Delegation in London and therefore it is hardly necessary for me to allude to it at length. The programme put before the Federal Structure Committee by the Lord Chancellor was to fill in the details of the scheme adumbrated last year, especially in regard to the composition, character and powers of the federal legislature, the composition and responsibility of the federal executive, the allocation of financial resources to the Federal Government, the constitution of the Supreme Court and the definition of the safeguards necessary in the transition period in the administration of the Army, External Affairs, and other Crown subjects and in the maintenance of credit and currency. In regard to the Federal Legislature it was our unanimous view that both the Chambers should have co-ordinate authority in every respect, that there should be no difference in powers between the Upper and the Lower House and that in cases of difference which cannot be resolved by the ordinary methods of reference

back, a joint session of the two Chambers should be convened. The majority of our Delegation strongly urged in the terms of the resolution of the informal Conference of Princes held in Delhi prior to the sessions of the Chamber, that the Upper House should consist of 250 members and that we should be allotted fifty per cent of the seats, while the Lower House should consist of 400 members and the States should receive 33 1/3 per cent. Unfortunately, on the question of the Upper House, it was impossible to secure unanimity among ourselves as some States expressed with emphasis the view that the Upper House should be a small and compact body. The Committee ultimately reported in favour of a House of 200 members and allotted to the States 80 seats on the basis of 40 per cent.

As soon as this report was published I wrote to the Lord Chancellor the following letter drawing attention to the resolution of the Chamber and requesting His Majesty's Government to take no irrevocable decision on this point :

"As anticipated, there has been considerable dissatisfaction expressed by the Princes in India about the proposal contained in the third report of the Federal Structure Committee that the numerical strength of the representatives of the States in the Upper Chamber should be limited to 80. I have been receiving numerous cables from India pressing me to ask for at least 125 seats in the Upper Chamber. I understand that His Highness the Maharaja of Bikaner has, in consultation with many of his brother Princes in India, cabled you expressing the same opinion.

"I feel that there is much greater chance of the federal proposals being accepted by a larger number of States, if a larger number of seats than is at present proposed is available for distribution amongst them. You will remember that in the Committee itself I pointed out that the Chamber of Princes had, after full consideration, instructed its representatives to secure at least 125 seats in the Upper House.

"You were good enough to assure us that you will personally undertake to see that the Constitutional Guarantees necessary for the maintenance of the rights of the States will be incorporated in the new Constitution. I am confident that we can leave the matter safely in your hands with the assurance that when the time comes, the Princes will be consulted and their interests will be fully protected.

"I am emphasising these points only because I am anxious to secure for the proposals which emerge from the discussion at the Conference, the widest possible support from among the Rulers and the Government of India. Whilst the Chamber of Princes is anxious to make the Conference a success, it naturally attaches the greatest importance to the sovereignty and independence of the States and it will, before giving its final consent, examine the constitutional proposals resulting from the Conference primarily with a view to see how far the legitimate interests of all the States have been fully safeguarded, and how far it has been possible, without interfering in their internal affairs to draw up an All-India Federal Constitution which would guarantee and secure to them their existence through the generations that are to come. In order, therefore, to obtain the widest possible measure of agreement among the Rulers of the States specially the smaller States and to strengthen the hands of those of us who desire to help in the creation of an All-India Federation, I request you to give your kind and sympathetic consideration to the points to which I have drawn attention in this letter.

"I should very much like to have a quiet talk with you some time before the Prime Minister makes his declaration, and would do so whenever it is convenient to you. I shall be out of London for one day, on Tuesday, the 24th instant."

In the Federal Ministry, representation of States will be secured by a constitutional convention. Besides, it is clear, that if one-third of the total number of seats in the Lower House is to be allotted to the States, they will form such a compact and powerful body as to ensure to the States an adequate share in Federal administration. The fact that the Upper House in which we shall have 40 per cent representation will be co-ordinate in authority with the Lower House would tend to strengthen our position in the Government. On this point, Your Highnesses' Representatives are fully satisfied that the interests of the States were adequately protected.

The question of Federal Finance was explored by a Sub-Committee on which the Delegation was represented by Sir Akbar Hydari, Sir Mirza Ismail, Colonel Haksar and Mr. V. T. Krishnamachari. Even before the matter was referred to a Committee, we had made clear that no scheme of federal finance will be acceptable to us which (1) included any proposal of direct taxation of our subjects by the Federal Government ; (2) did not abolish the tributes now being paid by some

States and take into consideration the assignments of territory in view of payment by others. The report of the Committee while generally accepting our principle suggested a corporation tax as a source of Federal revenue. As this proposal was not in conformity with our view that no direct taxation should be extended to the States, our Delegation opposed it in the Federal Structure Committee. Some members of the Delegation also held the view that it was not possible for their States to accept or reject the Federal Structure Committee's proposals until (a) the full implications of the financial proposals were worked out and made available to them and (b) an enquiry was begun into the pending cases of an economic character between the States and the Government of India. These two principles have now been accepted and the Prime Minister's final statement on behalf of His Majesty's Government contained the announcement that Committees for these purposes will be appointed as early as possible. Those Committees have now arrived in India and are engaged in the detailed examination of some of the questions raised by the Delegation.

FEDERAL COURT

The question of the Federal Court which we always considered to be essential in the interests of the States had not been discussed at the last session of the Conference. Our point of view was that the Federal judiciary should be established as the joint court of the Crown and the States deriving its jurisdiction by delegation both from the Crown and the States and it should have exclusive and final authority to deal with questions relating to the interpretation of the constitution, controversy between units of the Federation and between the States and the Federation. The proposal that there should be appeals from the Federal Court to the Privy Council was opposed by us on the ground that such appeals will constitute an infringement of our sovereignty.

On such important questions, it was necessary that the States' Delegation should have at its disposal expert legal advice as the questions which arose in connection with the Federal Court were of a technical character. Therefore, after due enquiry I engaged the services of two eminent constitutional lawyers, Mr. Upjohn, K. C. and the Hon'ble Cyril Asquith, whose counsel and advice were taken by me in regard to these and other questions.

The plenary sessions was held on the 28th of November. The point of view of the States was put forward by many speakers, more especially by His Highness the Maharao of Cutch, the Pro-Chancellor and the Rajas of Kora and Sarila and by myself. The policy of His Majesty's Government in regard to India, and the proposals in regard to future work were announced by the Prime Minister in his speech on the 1st of December. It affirmed in unequivocal terms the decision of the National Government to pursue the idea of an All-India Federation with the States constituting an integral part of it, and to make Federal Executive responsible to the Legislature, subject to important safeguards in relation to the Army, External Policy and Financial Credit. The outstanding details in regard to franchise, finance and the claims of the States would immediately be enquired into by expert Committees appointed by His Majesty's Government presided over by public men from England. The work of these committees will be co-ordinated by a small and representative body chosen from among the members of the Round Table Conference. When their reports have been submitted and examined, His Majesty's Government propose to summon the whole Conference to review the conclusions.

So far as the States are concerned, the Prime Minister's statement accepts the fact that the allotment of seats among themselves is primarily a domestic concern for the States and their Rulers. It is not necessary, I hope, to emphasise how great a responsibility rests on us in having thus undertaken to settle this question to the satisfaction of all legitimate interests of Indian India. Failing an agreement among us, the only alternative would be to refer the matter to an expert Committee appointed by the Crown.

During the whole period of our work in England the Indian States' Delegation met regularly and worked as far as possible as a united team. Our regular discussions proved helpful in reconciling different points of view and in many cases in reaching an agreement among ourselves. We were thus generally able to speak with one voice and what was of equal importance, to preserve a complete understanding among ourselves. It is true that on some questions like representation in the Upper Chamber, we were unable to secure unanimity of views but those minor

differences did not in any manner affect the spirit of general harmony and of friendly co-operation that marked our work as a delegation.

In this connection, I would be failing in my duty if I did not pay a tribute to His Highness the Maharaja Gakwar of Baroda, our respected leader. Though in indifferent health His Highness kept himself fully informed and gave us the benefit of his valuable advice and weighty support. I should not also omit to mention the invaluable help which the Delegation received from the other Princes and Ministers on it.

Colonel Haksar also worked as Secretary General to the States' Delegation and Mr. Panikkar, Secretary to the Chancellor, was as before, Secretary of our Delegation. Their zeal and energy left nothing to be desired. Our thanks are due to them also.

Third Day—31st. March 1932

QUESTION OF PARAMOUNTCY AND CEREMONIALS

The Chamber resumed its session to-day and sat for an hour. The Viceroy presided.

The *Maharaja of Alwar* moved: "The Chamber of Princes places on record its sincere thanks to His Excellency the Viceroy for having taken up with His Highness the Chancellor, and the representatives of the Chamber the questions of Paramountcy and ceremonials, the early settlement of which is of vital importance to the States and to the Chamber of Princes and its earnest hope that they will be disposed of satisfactorily at the earliest possible moment".

The *Maharaja of Alwar* said that the question was fundamental and lay at the root of all the questions that had hitherto cropped up before the Chamber. All the other questions would be considerably simplified once this was settled. The question had loomed large since the late Mr. Montagu came out to India. He added: "I am glad to say that after nearly ten years, the question has now come to the fore and is taking shape. It is on the settlement of this question that a great deal of our future depends. We could enter the Federation with a easier mind if this is solved. The Viceroy has viewed our difficulties very sympathetically and broad-mindedly. (applause). We want a clear exposition of our mutual position, which while they may be clearly understood between ourselves in our mind, require to be cleared for the outside, namely, what is our position vis-a-vis the Crown, vis-a-vis the British Government and the Indian States.

"Similarly regarding ceremonials, our Order lays considerable stress on the solution of the question and we are most grateful to the Viceroy for the expeditious and sympathetic manner in which His Excellency has dealt with it. (applause)."

The *Maharaja of Alwar* paid a tribute to the indefatigable energy shown by the Chancellor in advocating their cause (applause) and said that once the results were finally known they would have reason to be even more grateful to the Viceroy.

The *Maharaja of Kolhapur* said that the Viceroy had stated very lucidly in his opening address the corresponding duties which were implied in the relationship between the Paramount Power and the Indian States. He continued: "If those duties are always borne in mind by our Order, the question of Paramountcy will present very few difficulties and it will strengthen the position of the Princes under the treaties and render entirely unnecessary the effective protection of the Crown". He thanked the Viceroy for the definition given in general terms.

The *Maharaja of Mayurbhanj* paid a tribute to the solicitude shown by the Viceroy. He was glad that the relations between the Crown and the States would remain unchanged. Though they stood at the parting of the ways and Constitutions might come and go, they would ever remain loyal to the King Emperor.

The resolution of the *Maharaja of Alwar* was passed unanimously.

The Viceroy thanked their Highnesses for their charming speeches. The Viceroy said that he had for long felt that these questions should be cleared up, but the resolution was a little premature. "We have neither finished our discussion with regard to Paramountcy nor Ceremonials. But I am very grateful to Your Highnesses for taking things on trust. I shall do all that I can to bring about a satisfactory conclusion—satisfactory both to Your Highnesses' point of view and that of the Crown (applause). The *Maharaja of Alwar* has referred to my having dealt with the question of Ceremonials so expeditiously. But let me say that since I have

been associated with your Chancellor as the President of this Chamber, he has bombarded me with questions relating to Paramountcy and Ceremonials (laughter and applause). But I am a much older man than His Highness and have not the power of rapidity which he still has. But I am glad to say that I shall continue to do my best in the joint interests of the Crown and the Indian States.

STATES' DELEGATION TO R. T. C.

The *Maharaja of Panna* next moved: "That this Chamber places on record its sincere appreciation of the services to the cause of the States rendered by the Indian States' Delegation in advocating their just claims at the R. T. C. This Chamber desires to accord its gratitude for the scrupulous manner in which its representatives adhered to the mandate given by the resolutions of this Chamber."

The *Maharaja of Panna* paid a tribute to the Chancellor who led the deputation and to the veteran Prince, the *Maharaja of Bikaner*. As the result of the Conference, avenues of advance had been certainly cleared for further progress towards the goal of a greater India. Unfortunately, a great deal of misunderstanding had been created by uninformed criticism of the idea of Confederation, as it was supposed to be directed against the idea of a Federation, but the suspicions had been now removed because the express purpose of the Confederation idea was to bring the Federation still nearer to realization. He thanked the Ruler of Dholpur for his work at the R. T. C. "He continued: Until a few days ago it was thought that a schism had been created among the Order of Princes, but with incessant and genuine efforts, we are in a happy position to-day of being unanimous on all these points, and are able to present a united point of view before our friends in British India and in Britain. (Applause). He said that the scheme of Federation had been drawn up, only in outlines, but added: I am sure, with their past record of success, we can rely upon our delegation, to carry on the task to a successful termination in the coming year."

Finally, he said that the Motherland was passing through momentous times. One false step might do harm. He also thanked the Ministers who worked on the various R. T. C. committees and did great service to the cause of the States.

The *Ruler of Wankaner* seconded the resolution, and complimented the Chancellor for his enthusiasm and energy combined with sagacity and wisdom.

The resolution was passed unanimously.

The Chancellor thanked them for the praise given to them for their humble efforts in the discharge of what was after all their duty and trust.

The Chancellor placed before the Chamber the recommendations of the Standing Committee in regard to the question of acquisition of non-residential property in British India by the Ruling Princes and Chiefs. He gave a history of the question spread over the past twelve years and said: "I am glad to say that an agreed settlement had been reached. The memorandum placed before you represents the result of our discussions. It concedes to the Princes the right of acquiring non-residential property without the previous consent of the Government of India except in case of transfer by mortgage. It also concedes the principle of acquisition of non-residential property in the name of any other person. As our points have been considered, I recommended that the summary may be generally accepted and thus allowed in our President's happy phrase to attain Nirvana. (Applause)."

Fourth Day—1st. April 1932

THE STATES AND FEDERATION*

Both the Princes' Chamber and the galleries were crowded when the sitting of the Chamber was resumed to-day under the presidency of the Viceroy. The Chancellor, His Highness the *Nawab of Bhopal*, moved what he said was the most important resolution of the session which ran:—

*With reference to this resolution "*The Economist*" wrote:—"The Eleventh Annual Session of the Chamber of Princes was opened this Monday, March 27th by the Viceroy; and on this occasion the Rulers of the Indian States have reaffirmed their intention—originally expressed some two years ago—of entering into an All-India Federation with the British Indian provinces. The substantive

"This Chamber declares that the States will join in the All-India Federation on the assumption that the Crown will accept responsibility for securing to them the following guarantees.

- (a) That the necessary safeguards will be embodied in the constitution ;
- (b) That under the constitution their rights arising from the treaties or sanads or engagements remain inviolate and inviolable ;
- (c) That the sovereignty and internal independence of the States remain intact and are preserved and fully respected, and that the obligations of the Crown to the States remain unaltered :

To secure this end, the Chamber authorises its representatives further to carry on negotiations in accordance with the mandate given to them at the informal meetings of the Princes and retains the right to examine the whole constitution in its completed form and the draft Bill before the final ratification by the Chamber and by each individual State."

The *Nawab of Bhopal*, moving the resolution, said that the slight differences in their ranks had been happily composed, thanks to the noble efforts of the Maharaja of Patiala principally, and the work of their loyal Ministers (applause).

The Chancellor, taking a retrospect of the constitutional position, said that under the Act of 1919, the Simon Commission came. Its recommendations went some way, though not far enough, to remedy the principal defects of the Act of 1919. He then rapidly reviewed the developments of the relations of the States with the Crown. For a matter of fifty years, from 1860 onwards the British Government began to develop their Indian possession. This development tended to over-shadow political obligations. "We protested", the Chancellor continued, "often mildly, sometimes, from sheer anguish loudly, but our protests were all against infringement of one part only of our rights, namely, political. In our ignorance, we did not then realise how our fiscal and financial rights had, at the same time, been adversely affected. In 1917, we urged that we must have an opportunity of discussing matters which touched our vital interests. The end of another decade found our position even worse than before, and we succeeded to the extent of obtaining an investigation. These led to the formulation of certain dicta which we were unable to accept. My review of the past is not being made in any unfriendly spirit, but rather to show how the present position has been reached. Your Highnesses are

passage in this week's resolution runs : "This Chamber declares that the Indian States will join an All-India Federation on the assumption that the Crown will accept the responsibility of guaranteeing to them the necessary safeguards." The resolution then goes on to lay down the conditions that the safeguards shall be embodied in the new All-India Federal Constitution as an integral part of it ; that all existing treaties, sanads and other obligations regulating the relation between the States and the Crown shall remain inviolate and inviolable ; and the rights of internal sovereignty shall remain untouched. In one sense the new resolution goes further than its predecessor inasmuch as it is expressed as a "declaration" instead of a mere statement of opinion in regard to the probable action which the States might be expected to take individually. The States have now definitely pledged themselves to federation as a body. At the same time the conditions and guarantees as re-stated, are uncompromising and comprehensive. If the States were really to stand on the letter of these conditions in perpetuity, the All-India Federation of the future might find its life and growth and movement seriously cramped ; but perhaps this is not a very formidable practical danger. The great thing is that the Princes should have made up their minds definitely to enter the Federation. The histories of other federations show that at the moment of taking the decision to merge their separate existences in a larger whole, the federating States are apt to insist upon their State rights very jealously ; but that in process of time the logic of the facts impels them to modify and even waive these jealously preserved rights of their own volition. For, a Federal Union, once successfully established, becomes a living thing in itself, which changes and grows and carries its parts and organs along in the movement of its own life. Thus, on a long view, the Indian Princes' resolution, taken as a whole, is not unsatisfactory, while on a short view it is highly opportune as a fresh practical step towards the goal of Indian self-government. It is particularly important, of course, that as many such steps as possible should be taken at a time when the Government of India is having, unfortunately, to pursue a dual policy of simultaneous constitutional advance and administrative repression."

aware of the re-assuring attitude of the Viceroy and, for my part, throughout the year I have held the office of Chancellor and more particularly during my visit to England, the conviction was borne in upon me that, whatever may have happened in the past, in the immediate future, a new chapter in the history of the States is going to be written and that they can safely believe that, in the future, they will be immune from any encroachment upon their treaty rights, and that their economic interests will be fully safeguarded.

"The main position we have created as the result of the R. T. C. is as follows. Our dynastic matters must remain the care of the Crown. Our internal affairs must remain beyond interference from any quarter. Our treaties or engagements or sannads must be literally respected. There must be other necessary safeguards embodied in the constitution. Given these guarantees, we shall, for matters agreed to be of common concern, join the All-India Constitution in the confident belief that this association with the British India will be for the common benefit, and that each party will receive broad justice from the other and that there will be utter absence of mutual nagging and carping criticism.

"It is natural that, when dealing with a question of such magnitude, Your Highnesses should have some anxiety. Personally, I am convinced that, with the necessary guarantees secured, an All-India Federation will be entirely to our advantage. In proof of this, I should like to invite Your Highnesses' attention to the fact that the most Conservative House of Commons and the conservative House of Lords did actually endorse the policy of an All-India Federation. It must not be forgotten that the Crown also has interests in India and it is not to be supposed that it will sanction a constitution which will imperil its own interest and those of its friends and allies" (Applause).

The Maharaja of Patiala, seconding the resolution, said that any scheme must ensure simultaneous and effective discharge of the triple obligations of the Princes to the Crown, and to India, the scheme of Federation evolved at the first R. T. C. did not appear to some of them to be such as they could safely accept, and they spoke out their mind even. Their intentions were misunderstood and their motives misrepresented. He added: "Our distinctive proposals embodied two aspects—(1) a Confederation of States for the purpose of Federation with British India and (2) essential safeguards in addition to those proposed in the Sankey Scheme vital to the States' adherence to a Federal Constitution. These have now been examined dispassionately to evolve a common policy. I am happy to declare, unequivocally, that we all stand united on the fundamental essentials involved. We have ceased to represent different parties and groups on the main plank of an All-India Constitution. Our united programme is embodied in the resolution. Federation with the additional safeguards agreed between us, is now as much mine as the Confederation elaborated in our discussions with His Highness the Maharaja of Bikaner. Given proper guarantees, we are prepared to contribute our best. Our desire to maintain intact our internal autonomy and cultural entity is as natural as the demand for ordered progress. We feel that under the new constitutional arrangement, we cannot effectively discharge our obligation to the Crown unless we become partners in a Greater India. We also recognise that we have a substantial stake in the country and as the trustees of the posterity of our people, we cannot commit ourselves in matters of fundamental importance, to untried and unexplored agencies unless the Crown is a party to our participation in the new constitution, and guarantees our rights and privileges and is capable of discharging its obligations to us under treaties. This is the purpose of the resolution. It offers us means for assisting the Crown in the discharge of its clear pledges to India and an opportunity of combining our stabilising influence with the elements in British India, to serve as a barrier against unsteady or convulsive developments in India and to assist towards ordered progress and the happiness of our people. It is true that till the whole picture is completed, our support must be provisional, but I confidently hope that we shall jointly evolve a constitutional scheme which shall ensure individual and due representation of all the members of the Chamber of Princes, present and future, with satisfactory representation of the remaining States."

The Maharaja of Patiala, concluding, earnestly appealed to the Press and the public of England and India to assist in evolving the right atmosphere, so that "under the constructive guidance of a trusted and tried friend like Your Excellency, the Indian States, bringing their best culture through a Confederation of States into the cultural pool of a greater India, will make it possible for the United States of India under the aegis of the British Crown, as an equal and honoured partner of British Commonwealth, to hold its head high among the nations of the world. (Applause).

The *Maharaja of Alwar* quoted extensively from the speech he had delivered within four days of the opening of the First Round Table Conference, wherein he had visualised a United States of India. Commenting on the resolution he said :

"The resolution is so wide and so explicit, that I cannot believe that any of my brother-Princes, either inside or outside this Chamber, can have any misgiving. He recalled how the leaders of the British parties had declared that the Princes' attitude over Federation had revolutionised the whole issue of Central Responsibility, and added :

"The British Government's attitude was that, if the Princes and the States do not join the scheme of Federation, British India could not be given Responsibility at the Centre of any kind whatever. We would have been the target at which British India could aim and say it was not the British Government that stood in their way, but the Indian States, and that as a result India could not attain Dominion Status. The resolution you are passing is of such a general character in one sense, and of such a particular character in another sense, that I do not think the most conservative need be frightened. We have the right to join or not to join Federation or to secede from it if it is inconvenient and uncongenial. I do not see where the difficulty lies in Your Highness's adopting this resolution to-day. Let it not be said we stood in the way of our brothers reaching their goal."

The *Maharaja of Kapurthala* said that the resolution was the outcome of anxious deliberation and embodied the wishes of the Princes that, provided certain conditions were satisfied, they would join the Federation. Regarding safeguards and guarantees the resolution was explicit. There were important details to be settled, but once the principle was accepted, the details could be adjusted.

The *Maharaja of Rewa* said that he had never opposed the Federation nor had he minimised the advantages of unity. When at the Round Table Conference he spoke somewhat differently, it was because of special reasons. When he received an invitation from the Viceroy to serve on the Round Table Conference, he had no opportunity to discuss the matter with his brother Princes, but since then he had done that. At the earliest opportunity he sounded a note of caution, which was however not intended to oppose the idea of Federation. He first wanted that they should settle among themselves the objective to be achieved. It was better to take measurement for a coat than to buy a ready-made coat and find out whom it would fit. The British Indian delegates themselves affirmed that the constitutions obtaining in other countries would have to be considerably modified were they to apply the same to India. Continuing His Highness said that his view was that the constitution which was to be devised should suit all concerned and not compromise the position of either British India or the Indian States.

The *Maharaja of Sangli* said that it was doubtful whether, without the co-operation and support of the Indian States, British India would be able to achieve Central Responsibility. The States must make some sacrifice for the welfare of the Empire. He hoped that they would heartily join the Federation, subject of course, to such safeguards, as might be necessary. Their treaty rights were of vital importance to them. With a view to securing safeguards and guarantees, the Princes' representatives should be authorised to carry on negotiations.

The *Maharaja of Surguja* said that the Princes of India stood united to achieve peace, and hoped that the picture of constitution when completed would be examined by their representatives.

The *Maharaja of Korea* said that the political conditions existing in India were so heterogeneous that it was difficult to make rapid progress. The work done at the Round Table Conference and at the Consultative Committee had not been wasted and they provided a useful basis for the solid work yet to be done. If honest efforts were made to reconcile the different view points, he saw no reason why they should fail. The Princes' apprehensions were natural, but in view of the pledges of His Majesty's Government to uphold their rights, there was no cause for alarm. They could rely on His Majesty's Government to draft a constitution which would fully safeguard their rights and privileges. He was sure that they would have an opportunity to examine the draft Bill before they were called upon to accept it. Finally he hoped that the Chamber would stand firm in accepting the principle of Federation, subject to such safeguards as might be necessary for the protection of their special interests.

The *Maharaja of Bikaner*, winding up the discussion, said that there was no dissenting note in the debate. He thanked the *Maharaja of Patiala* for bringing

about unity of ideas. He would like to state that nothing had been settled about the quota of representation. With the question of Paramountcy about the equitable settlement, the task of the Princes entering the Federation was considerably facilitated. He was sure that they all felt proud to make a contribution to the glory of the Empire.

The resolution was put to the meeting and unanimously passed.

STANDING COMM. STRENGTH INCREASED

The *Maharaja of Patiala* next moved :

"That the membership of the Standing Committee be increased to nine, including the Chancellor and the Pro-Chancellor, the quorum still remaining five, and that the election and other provisions relating to substitute members be deleted."

The *Maharaja of Patiala* explained the difficulties in carrying out business for which the present number was not adequate.

The *Maharaja of Bikaner* did not approve of the motion.

The *Maharaja of Alwar* said that the matter was neither formally nor informally discussed so far. Personally he thought the smaller the Committee the better the work. He would prefer a committee of one (laughter). He was authorised by the Jam Sahab to state that he (the Jam Sahab) was opposed to any increase in the number.

The *Maharaja of Bikaner* and the *Maharaja of Patiala* objected to the views of an absent Ruler being placed before the House.

The *Maharaja of Alwar* suggested that the Chancellor should be given an opportunity to select his own committee. The resolution if accepted would only hamper the expeditious business.

After the Nawab of Bhopal had briefly replied, the resolution was put and agreed to. The *Maharaja of Alwar* dissenting.

The Chamber at this stage adjourned.

Fifth Day—2nd. April 1932

The first business transacted to-day was the election of the Chancellor and the Pro-Chancellor and the Standing Committee for the coming year. The Princes voted on ballot paper.

TRIBUTE TO RETIRING CHANCELLOR

The *Maharaja of Alwar* next moved a resolution appreciating the services of the Chancellor. He said that the way in which the Nawab of Bhopal had acted had amazed and even astounded the speaker, for His Highness had proved himself a past-master in the art of constitution-making. He had been able to remove many of their doubts and his assiduous and dispassionate judgment had been an asset to their Order at such a momentous period. They were sorry that he had declined to be re-elected for the next year. He had proved to be one of the best Chancellors.

The *Maharaja of Patiala*, seconding the resolution, expressed regret that, for reasons of health, the Nawab of Bhopal was not standing for re-election; otherwise they would have re-elected him unanimously (applause). The Nawab had throughout the year, whether working at the R. T. C. or on the Federal Structure Committee or in India impressed them all with his industry and devotion.

The *Maharaja* continued: His contributions have been unparalleled and he will go down to history as one of the chief architects of the new Constitution of India, which may well be the greatest achievement of our time.

His Highness hoped that as soon as his health permitted, the Nawab of Bhopal would allow them to elect him as Chancellor for a considerably longer time.

The *Maharao of Cutch* said that he could personally testify, from his close association with him at the R. T. C., to the great knowledge and ability the Ruler of Bhopal brought to bear on the questions at issue in the interests to their Order.

The *Maharaja of Kashmir* expressed his intense admiration for the remarkably efficient manner in which the Nawab of Bhopal had discharged his duty. His frankness, his courage and his cool manner compelled respect, while his earnestness and devotion, to the discharge of his responsibilities were exemplary. He even sacrificed the interests of his State for the sake of the Order. His reason for not

seeking re-election was that in fairness to his State he could not continue beyond a year to hold the office. His Highness concluded : On the eve of his retirement from office, my one wish is that his natural modesty may not prevent him from experiencing profound satisfaction which is the reward of duty whole-heartedly performed without expectation of praise or thought of recognition (Applause).

The *Maharaja of Bikaner* said that knowing the Nawab of Bhopal more intimately, through the closest association, than other brother Princes he could testify to the fine solid work done by the Nawab. Blessed with brains, untiring energy and great capacity for work, the Nawab of Bhopal had not sought cheap popularity. He had upheld the best traditions of his office. He had turned out volumes of work during the past 12 months.

The *Maharaja of Bikaner* also took the opportunity to congratulate the Jam Sahab on his election as Chancellor. "Although we lose greatly by His Highness the Nawab of Bhopal not being Chancellor again, we gain in having as his successor a prince of such a reputation and such solid work behind him. He had borne the burden of responsibility on behalf of his Order long before the Chamber came into existence. I also tender him congratulations on the Silver Jubilee celebrations of his reign." (Applause).

His Highnesses of Sangli, Surguja, Sarila and Korea also joined in adding to the glowing tributes paid to the Nawab of Bhopal, and the resolution was passed amidst acclamation.

The *Nawab of Bhopal* acknowledging it, observed, that all that had been said, rendered him speechless. He added : "I regard this as the proudest moment of my life. I feel that I have only endeavoured to do my duty. It is certainly very encouraging of Your Highnesses to regard that duty as well done. All my efforts were inspired by Your Highnesses. May I add whether I am Chancellor or not, I shall regard it as my solemn duty to go on working as I have done to continue my co-operation with Your Highnesses. My humble services are and shall continue to be at your disposal and command. My work as Chancellor has been a joy and if I have willingly and ungrudgingly decided to transfer it to other hands, it is because of my confidence that it will be far more ably performed by my successor." He joined the *Maharaja of Bikaner* in congratulating the Jam Sahab.

JAM SAHEB'S MESSAGE

Sir Charles Watson then read to the Chamber the message left by the Jam Sahab who had to leave for his capital in view of the Silver Jubilee celebration fixed for the 2nd instant.

The *Jam Sahab* thanked the Chamber for the singular mark of confidence shown to him by his election. He looked forward with the keenest interest, to working in the closest association with his friend the Viceroy. He understood that his election was a mandate implying that differences were to be recognised and divergent opinions were to be given a hearing, and that business was to be conducted frankly and openly in the service of their Order.

The *Maharaja of Cutch* replied to the Viceroy's speech on behalf of the Chamber. He said this practice had been found useful in the past in dealing with the points referred to in the Viceroy's speech, but this year all the points calling for notice had been already discussed by the resolutions. He once again assured His Excellency of their confidence in him. Continuing, His Highness said that India must remain within the Empire and must retain the British connection. This was not merely because the Crown should protect the rights of their Order, but because this connection was in the interest of India.

VICEROY'S OBSERVATIONS

The *Viceroy*, replying, associated himself with all that had been said by the Princes about the Nawab of Bhopal and added : "I can say, that our association during the year has been one of the closest friendship. (Applause). The *Maharao of Cutch* has expressed the hope that His Majesty's representative will show interest in your Order. I am sure as far as the present Viceroy is concerned, the old associations of many years will make that an accomplished fact. I thank Your Highnesses for the courtesy and consideration shown during my first presidency of your session—a session which may prove to be one of the most historic and momentous in the history of your Chamber. I trust you will all return to your various States, notwithstanding your strenuous labours in Delhi, refreshed and reinvigorated by the atmosphere

of our capital city, and determined, as I am sure all will be determined, to work in the future as you have always done in the past, of the good of your subject, for the welfare of India and for the welfare of the Empire. (Applause)

The *Maharaja of Kapurthala* made a brief statement recalling how he had made an appeal that the thanksgiving for the King-Emperor's recovery from his serious illness should take the form of a marble statue in Delhi. He had submitted his plans to His Majesty who had graciously approved of the same. Rs. 1,10,000 had been already collected. The original estimate for a statue in marble and red-stone, depicting the King sitting on an elephant in a howdah, with a canopy hanging above was £10,000, but the revised estimates of the P. W. D. showed that it would cost two lakhs. The Maharaja added that as the King would show better without a canopy the cost would be Rs. 1,70,000. So Rs. 60,000 would be required, and he was sure the Princes would respond to it. His Highness expected that the statue would be ready by the cold weather of 1933-34.

The Viceroy expressed the hope that, before long, they would find a very fine statue erected on the approved site, which would be a worthy memorial to their beloved King-Emperor. (Applause.)

The proceedings of the Chamber at this stage concluded.

The States and Federation

Constitution Committee's Report

The following is a summary of the recommendations of the Constitution Committee of the States' Ministers issued from New Delhi on the 4th April 1932:—

(1) Whether the States should or should not join Federation.—The Indian States should join the proposed All-India Federation with proper safeguards to protect their special rights and to preserve their treaties and engagements from encroachment.

If the States join Federation, should they do so collectively or individually?—The policy of the States should be to enter Federation as a collective unit, but it should be permissible for any State that may so desire to go in individually.

Should there be a Confederation of the States?—The scheme of Confederation as expounded and evolved during the discussions of the Committee is not incompatible with the essential plan of the Sankey Scheme. Suitable machinery should be provided for concerted action by the States' representatives where the interests of the States call for united action. For this purpose, the scheme of Confederation, as expounded before the Committee, offers, even independently of its functions as an electoral college, a feasible and desirable basis. It is however recognised that, although after some experience of conjoint action, the policy of the various States would progressively approximate to uniformity, the Confederation should, where the particular interests or views of individual States are concerned, admit of individual action.

What, if any, are the safeguards necessary in addition to those already provided in the Sankey Scheme to protect adequately the interests of the States in a Federation?—In addition to the safeguards in the Sankey Scheme, the safeguards mentioned in Appendix A should be incorporated in the final scheme.

Should the Federal Legislature be unicameral or bicameral?—The majority are definitely of the opinion that a bicameral legislature offers the best course open to the States under the existing circumstances.

What should be the allocation of seats amongst the States in the Federal Legislature?—Seats should be allocated in the Federal Legislature amongst the States, as far as possible, on the basis of equality in the Upper House and of population in the Lower House. The Committee, however, consider it essential, under every scheme of allocation, that no member of the Chamber of Princes should have less than half or more than one vote each in the Upper House and less than half a vote each in the Lower House.

Should the representation of the States be direct or through an electoral college?—The election of the States' representatives should, as far as possible, and except in

the case of the States sending their representatives direct be, through an electoral college.

What should be the list of Federal Subjects?—It was realised that the examination of the list of Federal subjects required a Sub-Committee, the report of which will be separately submitted.

Federal Executive :—As regards the representation of the States in the Federal Executive, the Committee do not recommend that their Highnesses should ask for a specific provision in the Constitution.

THE PRINCES' CONFERENCE IN BOMBAY

Text of Communique

The following is the text of the statement issued by the Secretary of the Princes' Chamber on the Princes' Conference held in Bombay from the 6th to 12th May 1932 :—

The meetings of the Princes and Ministers which have been continuously held in Bombay since May 6, concluded yesterday (12th.) with another meeting of the Princes' Standing Committee.

2. Amongst others present since the meetings commenced were the representatives of Hyderabad, Patiala, Jind and Junagadh, the total number of States represented being over forty.

3. His Highness the Chancellor had asked the Princes, in the event of their being unable to attend the meetings in person, to depute their representatives. Nevertheless, in spite of the short notice, the Rulers of the States of Bikaner, Rewa, Dholpur, Dungarpur, Morvi, Wankaner, Bansda, Baria and Sangli attended in person.

4. As was made clear on behalf of His Highness the Chancellor on the first day, the Bombay discussions were intended to be supplementary to and in conformity with the recent decisions and resolutions adopted in the Chamber of Princes and Their Highnesses' Conference in Delhi.

5. In the resolution unanimously passed in the Chamber of Princes in April 1932, the Princes had declared that the States will join an All-India Federation on the condition that "the Crown will accept responsibility for securing to them the following guarantees :—

- (a) That the necessary safeguards will be embodied in the constitution ;
- (b) That under the Constitution their rights arising from Treaties or Sanads or Engagements remain inviolate and inviolable ;
- (c) That the sovereignty and internal independence of the States remain intact and are fully preserved and fully respected and that the obligations of the Crown to the States remain unaltered ;"

and in order to secure the same, the Chamber of Princes,

"authorise its representatives further to carry on negotiations in accordance with the mandate given to them at the informal meetings of the Princes and retain the right to examine the whole constitution in its completed form and the draft bill before the final ratification by the Chamber and by each individual State."

6. Contrary to what has been suggested in certain quarters the discussions held in Bombay revealed that there was no desire much less any proposal on the part of any one to go back on the Delhi decisions. On the other hand there was a keen desire on the part of the States to secure a strong and yet larger adherence to the plan of federation as accepted at the informal Conference.

7. For the preservation and safety of the States and the maintenance intact of their sovereignty and internal autonomy, it has all along been held that the two essential factors now outstanding which are of the utmost importance to the States and which will clearly prove to be the determining factors in the decision of the great majority of the States about entering the Federation are :—

(1) The essential safeguards and adequate guarantees and assurances to be given by the Crown by means of supplementary Treaties, buttressed by Conventions, and due provisions in the Federal Constitution itself in regard to Constitutional and political and fiscal and financial matters, including matters relating to the Federal Court.

(2) The representation of the States in the Federal Legislature, with particular reference to the allocation of seats amongst the States *inter se*.

8. The united sense of the meeting was that the safeguards and guarantees proposed in Delhi were adequate.

REPRESENTATION ON FEDERAL LEGISLATURE

9. As regards representation, it was strongly felt that eighty seats for the Upper Federal Chamber recommended in the Report of the Federal Structure Committee would in no sense be found sufficient in view of the importance of the States as a body and for the purpose of providing their due and adequate representation, for which purpose the meeting fully endorsed the demand put forward by the majority of the Indian States Delegation for 125 seats being reserved for the States.

10. With still greater emphasis insistence and unanimity, which was not confined only to the small States but also included several important States, the Bombay meeting supported the decision arrived at by Their Highnesses in Delhi for equal individual representation in the Upper Federal House, i. e., one vote for each State which is a member of the Chamber of Princes in its own right and such additional States as may be found qualified under the existing tests for admission to such membership, leaving a sufficient margin for the collective representation of the other States and the lesser units of the Indian States territories which are not members of the Chamber.

11. This subject occupied the greater part of the time and attention of the Conference in Bombay and Plural representation did not find favour amongst the members present.

12. Whilst it was realised that there must necessarily be degrees of importance, the Bombay discussions revealed strong opposition to and resentment at, certain attempts to make distinctions and to derogate from the sovereignty and detract from the dignity and status and the relative importance of the States by classifying them as important, medium, smaller and smallest States.

13. His Highness the Ruler of Bhopal, the Late Chancellor of the Chamber of Princes, has already officially contradicted the incorrect and unauthorised report after the last session of the Chamber of Princes in Delhi to the effect that the Princes had appointed an *ad hoc* Committee to go into the question of a unicameral versus bicameral Federal Legislature. Although in view of some States favouring a unicameral legislature, this question was left open in Delhi for decision at a later stage, i. e., when the scheme in its final shape came up before the Princes, the views expressed in Bombay revealed a yet larger adherence than at Delhi to the proposed bicameral legislature.

14. An interesting discussion also took place as to what minimum extent must the adherence of Indian States be secured in order to justify the initiation of a Federal Constitution. The figure of 51 per cent of the population of the entire States advocated in London by one or two Ministers, was, as was stated in the Sankey Committee, not acceptable since it would mean acceptance only by first eight States according to population, plus, any other single State with a population of about a million. This it was held could not be taken as a full representation or sufficient or effective participation of the States, and that too at a reasonably early date, which was one of the basic conditions underlying the new Constitution. After considering various alternatives, as it was no less important to satisfy, and as emphasised in paragraph 24 of the last Sankey Report, "So far as may prove possible the claim of the small States, than to provide adequate representation of those which cover large areas", a formula was put forward, which found general favour viz., that adhesion should be secured of over 51 per cent of the States who are members of the Chamber of Princes in their own right and whose population is over 51 per cent of the aggregate population of the Indian States. This question will be taken up further by His Highness the Chancellor and the Standing Committee as also the Indian States Delegation at the right time.

RAJA OF SARILA'S STATEMENT

The following statement in reply to the above communique was subsequently made by the Raja of Sarila, who represented the smallest States on the Round Table Conference and the Consultative Committee :—

"I have seen the statement issued by the Secretary to H. H. the Chancellor of the Chamber of Princes giving an account of the recent conference of Princes and Ministers in Bombay. It is gratifying to note that the Federal idea was endorsed at the meeting and the essential demands for safeguarding the integrity of the

States were once more put forward. I regret, however, to note that on the question of representation of the States in the Federal Legislature the views expressed at the meeting conflict with those of some of the biggest States as also of those that are not permanent members of the Chamber of Princes.

The attitude of the latter class of States was made definitely clear at the last informal meetings at Delhi and as far as I am aware it has not undergone any change. These States have all along been opposed to the adoption of membership of the Chamber of Princes as a criterion for the representation of any State in the Federal legislature. The idea of equal individual representation of the States which are permanent members of the Chamber cannot reasonably be expected to find favour either with those States which are as large as some of the British Indian provinces or with those others, which, though not permanent members of the Chamber are much larger, and no less important, than many States enjoying permanent membership.

"It is refreshing to read in the communique that the distinctions sometimes sought to be made between important, medium, smaller and smallest States were resented at the Bombay meeting. It does not seem, however, that the meeting while giving expression to this view, recognised the inconsistency of seeking to make an invidious distinction between permanent members of the Chamber and other States."

"Again I venture to think that it is not practical politics to-day to ask for a considerable enlargement of the Federal Legislature. And I may point out that the demand for 125 seats in the Upper House was put forward with great force before the Federal Structure Committee, and no new arguments have yet been adduced to make the demand more acceptable than it was at the Round Table Conference. The understanding then arrived at and embodied in the Federal Structure Committee's report was that unless the Princes could arrive at a settlement among themselves as regards the distribution of seats among the States before the end of March last, the matter could be referred to an impartial tribunal to be set up by His Majesty's Government.

"If according to the terms of this declaration, a tribunal comes to be appointed I cannot think of any better set of persons to carry out this difficult and responsible task than the Rt. Hon'ble Mr. Davidson and his colleagues of the Indian States Inquiry Committee. They have already had considerable opportunity for informally discussing the question of representation with the Princes and their representatives though they were primarily concerned with certain financial problems."

CONFERENCE OF SMALLER STATES

The Southren Mahratta and the Satara Chiefs met, according to "The Times of India", in conference on the 6th January 1932 at the Taj Mahal Hotel, Bombay. The conference was called by His Highness the Chief of Sangli, who had just returned from the Round Table Conference. Others present included the Chiefs of Jamkhandi, Ramdurg, Miraj (Senior), Phaltan, Bhore and Jath. Aundh and Akalkot were, represented by Rao Bahadur Kale and Mr. Pradhan respectively. Political ministers and advisers of most States were also present. Opening the conference His Highness said :

"Our country has been deeply influenced by the current of nationalism with a momentum and force never dreamt of before and is undergoing a process of rapid political reconstruction. Not only have the changes in British India had powerful repercussions on the States, but they also exhibit the stirrings of a new life which may well astonish even those who had forced the most sanguine estimate of their potentialities. It is necessary that at this critical juncture we should take careful stock of the situation and lay down for the future a plan of action. The Round Table Conference has now completed its second stage. I am conscious that the conference has not been able to solve the communal problem. The failure to settle it has been a grief and a reproach to the Indian delegates. Nevertheless much valuable work has been accomplished.

Although we have advanced towards the solution of some of the important problems, there are still others which require further thought, discussion and examination and there is need of further reconciliation of different interests and points of view, before a workable constitution can be framed. His Majesty's Government have

decided to press on with all possible despatch with the Federal plan and are determined that not even the formidable obstacle, the communal deadlock, shall be permitted to be a bar to progress. His Excellency the Viceroy has reiterated recently that Government are determined to move on as rapidly as possible with their work on the constitutional reforms. As forecasted by His Excellency, the British delegates will be with us early in February and the Committees will commence their labours shortly after that date. We have, therefore, no time to lose in preparing ourselves for the work before the Committee.

"As you are aware, the Prime Minister made a pointed reference to the fact that it has not yet been possible for the States to settle among themselves their place in the Federation and their mutual relationship within it. The place of the States in the future Federation would depend on the conclusions that would be reached regarding whether the Federal Legislature should be unicameral and bicameral, whether it should be large or small, what should be the proportion of the representatives of States and British India, whether the States should confederate into a single collective for the purpose of federating with the British Indian Provinces, what measure of representation should be allowed to the States individually in the Federal Legislature and on what basis, whether in the event of the original adherents of Federation not including a substantial proportion of Indian India, their voting strength should be augmented in any way pending the accession of other States, whether the representatives of the States should be selected by an electoral college consisting of the Federal States as a whole and such other questions. The most important of these questions as affecting the smaller States are about the size of the Legislature and on the basis of which representation should be allowed to them.

FEDERAL LEGISLATURE

"It has been recommended that the chambers of the Federal Legislature should consist, as near as may be, of 200 and 300 members respectively in which the allotments of the seats to the States should be in the proportion of 40 per cent in the Upper Chamber and 33½ per cent in the lower or approximately 80 and 100 seats respectively in the Upper and Lower Chambers. I am afraid that these numbers must prove inadequate to satisfy the legitimate claims and aspirations of the States, and also of important interests in British India. I recognise that smaller Houses are more manageable and less expensive than larger. But these advantages will be dearly purchased, if the Federating Units, though small individually, cannot be given adequate representation. The smaller States may have occasionally special points of view to urge in respect of Federal questions, which may even justify some weightage to be given to their representatives. The number of such States is very large. Not only are there a large number of small States included in the 109 the Rulers of which are members in their own right, but there are also 126 States, the Rulers of which are represented in the Chamber by themselves. Our area has 13 of such States.

"It is well-known that many of these States have consistently protested against their exclusion from membership of the Chamber in their own right. The Government of India have recognised the justice of the protest by giving one of them, namely, Mayurbhanj, the right of membership. Government are further re-examining the question to consider the right to similar membership of the other States in the second class and it is likely that some of them may be promoted to the first class. When, however, I say that Government are examining the cases of the second class states, I have also a feeling that they are confining their investigation to cases outside the geographical division to which we belong. May I therefore take this opportunity to impress upon you the necessity of rapidly and persistently pressing your claim before the attention of the Government of His Excellency the Governor of Bombay. Then there are the 327 third class States which are bound to the British Empire by agreements as inviolate and inviolable as the treaties of their greater brethren. Above all, it is essential that the Federation of India should leave no discontented or outcast residue without voice and without representation. In view of these considerations I ventured to urge before the Federal Structure Sub-Committee in England that 150 should be the number allotted to the States in the Upper as well as in the Lower House. I am of course aware that in any case a considerable degree of grouping is inevitable. But the smaller the number of seats available, the larger will be the geographical extent of each grouping. I apprehend that if the Deccan States are grouped with any States beyond the area of the

Deccan, it will involve grave inconveniences not only of distance but of joining together peoples of different affinities and interests. This can be avoided by making the Houses sufficiently large.

"Another important question which concerns us is that of apportioning the quota of the States between them. It has been recognised that it is primarily a matter for settlement among the Princes themselves, and the Princes have been invited to arrive at such a settlement before the end of March 1932. If a settlement is not secured within this period, His Majesty's Government will set up an impartial tribunal to advise as to the determination of the matter. The States themselves would have no representation on this tribunal but they would all be invited to urge their claim before it. It would hardly be a matter for surprise if any individual State or group of States decided to determine its adherence to the Federation on the satisfactory solution of this question. I can, therefore, hardly over-emphasise the importance of a satisfactory solution of this question and we ought to train every nerve to secure a reasonable and satisfactory settlement of this question.

SALUTES

"In this connection may I make a passing reference to the heavy handicap we all labour under as regards our salute? A salute is a factor with which the Rulers are concerned in their personal or dynastic capacity and it has nothing to do with matters with which the Federation will deal. Both the Government and the Princes have further admitted that the salute list as it stands is full of anomalies. Nevertheless we must recognise that there are influential States which stand to profit by supporting the criterion of salutes and we may, therefore, anticipate that they will urge it with all the strength at their command. There are many other questions relating to finance, etc., arising out of the contributions that we make either in the form of cash or in that of ceded territory and our rights and obligations regarding customs, salt, opium etc. If our cases are not to go by default we have not a day to spare in beginning our preparation for them. I cannot stress too much the need of our organising ourselves at this critical juncture in the history of our States. We cannot afford to dissipate our energy at such a moment. Any policy of simple draft will be suicidal. We can achieve a more satisfactory settlement if we are willing and eager to co-operate with each other. We should immediately set up a common organisation. It is only if we are solid and well organised and carry out our programme with efficiency and earnestness that we can hope to succeed in gaining our points and maintaining our position so as to be able to play in the future a part in consonance with our past.

"Before concluding may I take this occasion to tell you how greatly I was impressed by the obvious desire of the British Statesman in England to promote a satisfactory constitution for a Self-Governing India? We have the further assurance of His Excellency the Viceroy, though it was hardly needed, at any rate by us, that the great majority in British are in full support of the proposal that Indians should be given complete responsibility over the administration of their country subject to certain necessary safeguards. I am sure I am voicing a statement which is uppermost in the breast of everyone of us present here when I say that the interests of our States as regards the peaceful recovery of the economic conditions in India are identical with those of the Government of India and that we shall be proud of nothing so much as of such humble efforts as it may be given to us to make in co-operation with Government and overcome the difficulties that confront them."

INDIA IN PARLIAMENT & ABROAD

JANUARY—JUNE 1932

INDIA IN PARLIAMENT

India Office Estimates Debate

House of Commons—29th February 1932

The debate on the India Office Estimates was held in the House of Commons on the 29th February 1932. **Sir Samuel Hoare** in introducing the Estimates delivered a speech reiterating the defence of the repressive policy of the Government of India. Making an earnest appeal to India he added that the Emergency Powers which they were discussing did not signify the end of the policy of co-operation. They were not evidence of the conflict between British and Indian political aspirations but merely a bulwark against anarchy, disorder and revolution, required as much for India's constitutional progress as for the avoidance of strife and bloodshed.

"We have repeatedly proved our readiness to work with Indians provided they sincerely desire to work with us upon the basis of the policy approved last December by an overwhelming majority of the House of Commons".

Sir Samuel Hoare commented on the fact that three weeks ago he was called upon to answer a record number of over fifty questions which showed unmistakably the members' interest in Indian affairs and also that the House was anxious for a debate in which he could give them a full statement on the present position. So far from deploring this interest he welcomed it and so far from resenting the desire for information he was glad whenever he was able to satisfy it.

Sir S. Hoare said that a fortnight ago he had issued a blue book in which he had set out in great detail the events of the last few months. He had set out those events in detail because he was anxious that every member should have before him a comprehensive picture of Indian affairs. To-day, if he had spoken at some length and covered more ground than he naturally would in any ordinary Estimates debate, it was because he realised that he was dealing with grave and serious questions on which every member of the House had a right to have information and had a duty to express his judgment.

Fortunately, he need not go into detail in the matter of past history. The blue book had set out very fully and comprehensively the events that led up to the decisions taken at the end of last year. It had showed in great detail the position in which we found ourselves at the end of the Round Table Conference, and carried on the history to a few weeks ago. When last he addressed the House on Indian affairs it was a moment when the Second Round Table Conference had come to an end. Delegates had departed on the whole in an atmosphere of goodwill. The only representative of the Congress had stood apart and even he from time-to-time seemed to dislike the discordant note he was striking.

It might therefore be said that beginning in December, when last they had an Indian debate, there was a general atmosphere of goodwill and a general desire to advance along the road to co-operation.

If he had been asked then to make a forecast of the coming events he would have said that the forecast was "changeable but not immediately stormy". But within the space of almost a few days the storm burst, the reverberations of which we were still feeling.

WAR MENTALITY OF CONGRESS

Whatever might have been Mr. Gandhi's personal inclinations the fact remained indisputable that in the second half of December the leaders of the Congress organisations were determined to renew the war with the Government of India. If the members studied the blue book they would see that instance after instance showed indisputably that the war mentality had possessed the leaders of the Congress in India. The blue book showed in detail how the Red Shirt movement had been stimulated by the Congress in the North-West Frontier Province and how in that very inflammable area, a critical situation had arisen that threatened the very basis of the Government.

The blue book had again showed how in the United Provinces the Congress had stimulated a revolutionary movement that looked like leading to agrarian revolution. There was also evidence in plenty—if he had time he could give it to the House in detail—that in the Province of Bengal the leaders of the Congress, particularly the Left leaders, were in close contact with the Terrorist Movement. Look where you might, from North India to the South, there was overwhelming evidence that the Congress was bent on renewing the war against the British Government. We might have regretted that fact. It might be that some Members were not altogether surprised.

But it must be remembered that ever since the Gandhi-Irwin Agreement there had been signs that many prominent Indians in the Congress organisation were using the settlement not as a period of peace but simply as a period of temporary truce during which they were preparing for the renewal of war and during which they were taking every opportunity to magnify their own organisation at the expense of established Government and setting up parallel and revolutionary Government against the established forces of Law and Order.

Sir S. Hoare claimed that, in view of these indisputable facts, there was no course open not only to this Government, but to any Government worthy of the name, but to take the action they did take.

The Government was faced with this direct threat to its existence not by a comprehensive movement covering the whole of India, but by a sectional organisation which admittedly represented only a very small portion of the great population of India. If any Government worthy of the name of Government was to continue in India at all it was bound to accept the challenge thrown in its teeth.

GOVERNMENT'S FORMIDABLE POWERS

But he was aware that there were some members, who, while accepting this general claim that the Government had to take action to meet this threat, yet thought first that the action they were taking was excessive and, secondly, that they were abusing the power under which they were acting. These were serious charges and needed an answer. He would take them in turn. Taking the first charge that the powers were excessive, he admitted that the powers given to the Government of India and Provincial Governments were very formidable. They were set out in detail in the appendices to the blue book. They covered and were intended to cover the whole field of possible attacks on the Government. He believed they should cover the field and he believed it would have been a dereliction of their duty if, faced with this critical situation, they had taken only inadequate powers.

Sir S. Hoare believed further that they were much more likely to reach a point when the Emergency Powers could be brought to an end if they acted over the whole of the field and left no openings to this hostile organisation to make their action unsuccessful. He, therefore, claimed first of all that, so far from its being the cause of criticism against them that they had taken full and comprehensive powers, the criticism would have been just if the powers had not been comprehensive. There was another consideration he would like to put to the members on the benches opposite. The attack launched by the Congress was not an attack upon the British Government, but an attack on any Government and more than that, it was an attack upon the whole community.

He would tell the House why he made that claim. If the machine of Government had broken down it would have been apparent to the great populations of the Indian continent that action such as the Congress had launched had been successful and it would have been a direct incentive to this community or that community to have undertaken the same kind of direct action.

Every member knew how inflammable was that material in India when anything touching the communal question arose. During all these weeks he had been terrified lest a breakdown of the machine of Government should be a direct incentive to the renewal of communal strife.

Let the members constantly remember those terrible events in Cawnpore last year. On no account must we run the risk of any repetition of that kind of catastrophe. At the time of a crisis such as this it was quite essential that the Central Government and Provincial Governments should have the fullest possible powers, drastic though they might be, to make a repetition of that kind of catastrophe as impossible as they could make it.

He came now to the second criticism, namely, that the authorities were abusing the powers they possessed, that they were using them ruthlessly and that they were using them in such a way as not only to deal with the actual emergency, but also as to suppress the legitimate expression of public opinion. There again, he asked the members to look at the actual facts of the situation. He was just as fully alive as they to the danger of uncontrolled administrative action and the Viceroy and his Government were just as alive as he.

But when he looked at the facts of the situation during these last weeks and when he thought of the dangers in India, of the great difficulties with which the authorities, great and small, were faced, he inevitably came to the conclusion that upon the whole, these powers had been used with common sense and moderation.

It might be that here and there, probably in the face of great danger and difficulty, some individual might have misused his authority. If that be so, investigation always followed action of that kind in the ordinary course. As far as he himself was concerned, and it was also the action of the Government of India, we had been ready to look into a number of specific charges made in individual cases and the result of our enquiries showed that, speaking generally, the authorities, and particularly the police, had behaved exceedingly well in a very difficult situation and, upon the whole, these drastic powers had not been abused or used to an excessive degree.

He would take two charges that had been made in the House in this connection during the last few weeks.

"WIDE LATITUDE" TO INDIAN PRESS

There was a charge that they had suppressed the expression of opinion by censorship. There was no censorship in India of any reputable foreign newspaper correspondent. At one time there was restriction for military purposes on the North-West Frontier. He understood that the restriction had now been removed and no check to-day was placed on any foreign newspaper correspondent in sending news to this country or any other part of Europe. That that was so, he thought, might easily be checked by the fact that many of the most inaccurate reports as to what had been happening in India had appeared in the foreign Indian Press.

As to the Indian Press the House could see from the Press Act and the Ordinances the action they were taking.

Speaking generally, the action taken had been designed for one purpose alone, namely, to stop incentives to disorder and terrorism and not to stifle expression of public opinion. There, again, he invited the attention of the members opposite to the Indian Press itself. If they would study it they would see that a wide latitude—some would say a much too wide latitude—had been given to the Indian Press as the medium for expression of opinion hostile to Government.

Referring to the charges made against the police, Sir S. Hoare said it would be very surprising in a situation of the kind if the charges were not made against the police, but, upon the whole, the police had acted splendidly, even under the greatest provocation and under tremendous odds at great risk to their lives and to the lives of their families. Speaking generally, they had acted with admirable restraint and with conspicuous moderation (Ministerial cheers).

"TRUMPED UP" CASES AGAINST POLICE

Sir S. Hoare was aware that cases were being made against them but he would remind the House that in an emergency of this kind there was a staple manufacture of atrocities in order to discredit the various services of the Government generally. He would remind the House what took place only last year in a situation not altogether unlike the present situation. Case after case was trumped up against the police. When they enquired into these cases nine out of ten were discovered to be fabricated. He would give the House one or two instances of the creation of atrocities.

A long and very circumstantial story of police brutality of a particularly disgusting nature to a volunteer in Rohtak was printed in the Congress Bulletin and brought to the Secretary of State's notice. It was stated that a complaint had been made to a Magistrate on oath. On enquiry it was found that the Magistrate, an Indian, had investigated the complaint and found it to be a tissue of lies. The volunteer was also examined the day after the alleged assault, by two doctors who failed to find any trace of injury of any sort.

Again it was alleged that the police at Borsad had dispersed a peaceful procession of women with great violence beating them with lathis and kicking them and pulling their hair. The procession had been organised to protest against the alleged ill-treatment by police of two women mentioned by name. On enquiry it was found that the facts were entirely different. The police had taken action only when a crowd had collected behind the women and started throwing stones and a small force of thirty police was in danger of being overwhelmed by a mob of two thousand. It was inevitable in a scuffle that some women should be injured, but the worst injury sustained was hurt to a knee. Of the two women said to have been ill-treated, one did not exist at all and the other was subject to fits and injured herself in a fit.

BARDOLI ENQUIRY

It was also relevant, as an instance of fabrication of evidence by the Congress, to refer to the report of the Special Officer appointed to enquire into the allegations regarding the use of lathis in connection with the collection of land revenue in Bardoli. After the most patient enquiry into the allegations of the police excesses, Mr. Gordon had found that there was no evidence at all of police persecution. Witnesses put forward by the Congress broke down under examination and were one and all found to be lying. He could not avoid the conclusion that one of the main objects of the Congress in making these accusations was to discredit the police by making them appear as persecutors of harmless and defenceless peasants. In one case, in fact, Mr. Gordon had found that there was a definite conspiracy to bring a policeman, named Sitaram Ganpat, into trouble.

Charges of brutality were trumped up against him from three different villages. In no case was there found to be a shred of evidence against him. In fact, in the case of one village it was discovered that Sitaram was not even among the party of police on the occasion mentioned.

This continual misrepresentation of the police was a fact that must be taken into account in judging the behaviour of the police now. During the last campaign the police were in many places subjected to extreme provocation. Often they had to submit to personal abuse of the most offensive character, while every effort was made by the members of the Congress to make life intolerable for them and their families by means of social boycott and other devices of the same kind. Often they were in danger of their lives from infuriated mobs and many had received injuries more or less serious. An example of what the police had to suffer was given in the Bombay fortnightly report which he had just received. After the dispersal of a crowd, a mob of 500 proceeded to the house of the brother of a Police Sub-Inspector and assaulted him. He would give another instance.

The House was entitled to have these instances and he took it from the events of the last few weeks to show how widely inaccurate were many of the reports circulated regarding what was happening in India.

Here was an example of the sort of exaggeration to which he had referred. A Lahore newspaper stated that 481 Red Shirts had been killed and 651 wounded on certain dates in or near Kohat. The actual facts were that 14 had been killed and 28 wounded. These figures had already been published in an official communique. To such extent were exaggerations and falsehood possible.

In view of that evidence, Sir S. Hoare suggested that members should be very careful in sifting the evidence of charges for which now and then certain Members had made themselves responsible. When he said what he had said about the inaccuracy of many statements that had been current in the last few weeks he would not like it to be thought the Government of India was not watching the situation very carefully and was not as anxious as any member to avoid the possibility of any excessive action in future.

Perhaps he could not do better than quote one or two extracts from a despatch of the Government of India to the Provincial Governments as recently as 8th February dealing with the whole question of the use of emergency powers. The instructions it contained showed the caution and moderation with which the Government of India had acted. He would quote one or two more important passages. First, the Government of India, recognising the responsibility attaching to the assumption of extraordinary powers, would again bring to the notice of the local Governments the great importance of exercising control and supervision over the exercise of those powers and, second, they would request the local Governments to satisfy themselves with regard to the alleged instances of abuse brought to their notice, which is of course the formal practice and procedure. Some of the powers contained in

the Ordinances are drastic and the Government of India attach great importance to the control by local Governments of their exercise.

At the same time the Government of India would request the local Governments—

(a) to satisfy themselves, in accordance with the usual procedure, as to the facts of particular complaints or allegations brought to their notice if they appear to be of such importance as to require such action;

(b) to counteract false or exaggerated accounts of particular incidents by giving publicity to the actual facts;

(c) in genuine cases of abuse to take such action as may be necessary by way of redress or by disciplinary measures.

POLICY OF "FIRM AND STRONG ACTION" TO CONTINUE

"I am to make it clear" continued Sir S. Hoare, still quoting instructions, "that what is said above is not to be interpreted as representing in any way a defection from the policy of the Government to take firm and strong action in dealing with the Civil Disobedience movement. Such action is not prejudiced, but is rather confirmed by the avoidance of excess, and experience, time and again, has in fact shown that the best results are achieved by the observance of the strictest discipline. Nor is it to be interpreted as indicating any desire on the part of the Government of India that servants of the Government should not be assured of receiving the fullest support in all reasonable measures which are necessary in dealing with the Civil Disobedience movement. On the contrary, the Government of India will give their full support to the local Governments in all such measures and they are confident that the local Government will give similar support to their officers.

These, continued Sir S. Hoare, were the instructions under which the emergency powers were being carried out. He could claim as evidence that the measures themselves had on the whole been accepted as necessary in India, the fact that not a single vote of censure either in the Legislative Assembly or any Provincial Councils had been carried against the Government action and that they had received representations not only from politicians but from businessmen and country districts that in their view, these emergency powers were essential and inevitable and were being used with caution and moderation. Before he left this part of his subject he wished to say a few words about one phase of the situation that naturally caused great anxiety, the position in Bengal and the terrorist campaign launched against the Government during recent months.

BENGAL TERRORIST MOVEMENT

The most drastic powers contained in the Ordinances were powers given to the Government of Bengal to deal with terrorism. Terrorism, as every member knew, had had a hold in Bengal for many years past and in recent years, indeed, recent months, the terrorist threat had become far more serious. In the past few months there had been nineteen serious terrorist outrages, for the most part against British officials. There had been outrages against women and children.

The new sinister feature of these outrages was that women and girls had been brought into the service of the terrorists. Only last week he had the painful experience of hearing from Mrs. Stevens, the widow of the official, one of the most popular, one of the most intelligent, one of the most sympathetic officials in the whole of Indian Service, the story of her husband's murder at the hands of two girls. He would not repeat the details nor would he give extracts, of which he had pages from the terrorist leaflets that, until recently, were everywhere being circulated in Bengal, for the express purpose of inciting to wholesale murder of British officials.

Perhaps even more sinister than some of these other features was the undeniable fact that many Congress leaders in Bengal had been hand in glove with certain of the leaders of the terrorist movement. Did we need any further justifications for the action that we had to take in Bengal and elsewhere? It would have been the surrender of the elementary duty of any Government if we had not invested the Government of India with the fullest and most comprehensive powers possibly to cut this blot out of the life of Bengal.

Sir S. Hoare claimed, in view of what he had said, that they had ample justification for the measures taken, that they had used those measures with caution

and moderation and that the Government of India, from the highest official, from the Viceroy down to the most junior police constable, had acted with courage, caution and commonsense and that the machine of Government in the face of great difficulties had functioned with really remarkable efficiency.

THE FRONTIER SITUATION

Sir S. Hoare continued :

"May I now sum up the present situation as I see it to-day ? I will begin with the North-West Frontier Province. There, all my information goes to show that the Red Shirt movement, which a few months ago was so imminent a danger to the Government as a whole, is beginning to collapse from all sides. There is evidence of a great change of opinion in the Frontier Province. Men who a few weeks ago, stood out in an attitude of hostility, are coming in to co-operate with the Government. Revenue is coming in better than for several years. I think it may be claimed that, speaking generally, the position in the North-West Frontier to-day is far more stable than for many months.

Then there is the second danger zone, the United Provinces, a great province, almost entirely agrarian, in which there are more than one million landowners, many of them very small landowners, and in which, in a few weeks before Christmas, there was every evidence of a movement so serious as almost to be an agrarian revolution. My information to-day confirmed in the last telegram I received to-day from India goes to show that what is called the 'no-rent' movement is now virtually at an end. (Cheers).

"In most of the other provinces the position is on the whole satisfactory. There are, however, two exceptions to which, if I am to make a candid survey of the situation, I want to make an allusion. There is the position in Bengal where we have not yet been able to crush the terrorist machine. It will take time. But I have no reason to suppose that we shall not succeed. Then there is Bombay. The position in the Presidency is quite definitely better, but the position in Bombay city itself is still unsatisfactory in the matter of picketing and economic boycott. Even in Bombay city itself I think I should be right in saying that the position is improving. The Government of Bombay has full powers to deal with the situation and I should very much hope to see a more marked improvement in the weeks to come than we have been up to the present.

"On the whole, it can be claimed that the drastic measures that we have taken have achieved the results we have expected and that position to-day is immensely better than in the weeks at the end of last year.

NO ANNOUNCEMENT ON COMMUNAL QUESTION

"There are still two serious difficulties before us. There is, first of all, that ever-present difficulty in Indian affairs, the communal trouble and, secondly, there is the difficulty, particularly formidable in a great peasant continent such as India, the economic depression. Of the communal position I intend to say not more than two or three sentences. I realise the deep anxiety felt by the minority communities, particularly by Moslems and the Depressed Classes. I know how anxious they are to be satisfied that their legitimate claims will be met before they agree to the provisions of a future constitution. I also know, after long months of discussion, how many dangerous reactions are involved in the communal question, and I can only say to-day that the Government realise the importance and urgency of the question, that on no account will we repudiate our obligations to the minority communities that we have most solemnly undertaken and that we ask the representatives of minorities, particularly the representatives of the Moslem community, that has with great faith and loyalty abstained from non-co-operation, to believe in our sincerity and to be patient if, in inevitable process of events, we do not rush into a premature decision. His Majesty's Government and the Government of India, are in close consultation over this thorny question and until we have completed our discussions I cannot make any announcement of our immediate intentions.

PLIGHT OF THE PEASANTS

"Then there is the second formidable difficulty, the economic position. I do not know whether it is always realised in the House how great is the economic crisis through which India has been passing. India is a country, for the most part, of small and poor peasants and the fall in the prices has hit them as hard as it has

hit any community in any part of the world. The prices of primary commodities have fallen in some cases by 50 per cent and when we take into account the smallness of the income of most of these peasant proprietors and that 9 out of ten of them owe considerable sums to money-lenders—there are no fewer than forty-five thousand money-lenders in the Agrarian province of Punjab—we will realise their grave position.

Prices have fallen and the burden of the debt upon their shoulders owing to the fall has gone up sometimes to the extent of 70 per cent. To complete the picture, when we also take into account the fact that provincial revenues are to a great extent dependent on land owners, it will be realised how very serious is the economic crisis through which India has been passing. Fortunately, however, there are signs that the prices of primary commodities in India are beginning to rise. Since September raw cotton has gone up by 75 per cent, groundnuts by 58 per cent and jute gunnies by 50 per cent and in the last few days there has been a jump in the price of paddy, with excellent reaction in Burma.

Sir Robert Horne : "Those are sterling prices".

Sir Samuel Hoare agreed and said: "The result is that the burden of the present fixed charges is gradually being reduced and the buying power is being increased. This charge is already showing itself in a better market for manufactured goods. Thirty million square yards of cotton goods were exported from the United Kingdom to India during January, this figure being 12 millions higher than for last January. The figure for cotton-yarn in January was the highest for more than a year past and indeed only fifteen per cent below the monthly average of 1928. I do not wish to exaggerate the extent of these improvements. I mention them rather as signs still uncertain but none the less hopeful of better times.

"It is satisfactory also to note that, at a time of such general economic depression, there has been a striking improvement in the financial situation of the Government of India. I suppose that in the last September the financial position in India was as serious as in any part of the British Empire. On the one hand there was a serious budget deficiency, on the other the export trade of India, on which we were dependent for remittances to London, had fallen greatly. Indian credit stood very low in the City of London and to make matters worse there was a certainty that in the near future certain short-term Indian loans were maturing and it would have been very difficult for anyone last September to say how exactly these maturities were going to be met.

GOLD EXPORT FROM INDIA

"I am glad to be able to say that we are no longer faced with so black a prospect as faced us last September. On all sides there has been really remarkable improvement. Ever since the rupee was linked with the sterling last September things have been steadily improving. Prices have been rising and now an unexpected feature has shown itself, the vast sums of gold from hoards in India, which have been exported and which have produced striking improvement in the Indian balance of trade. No less than 36 million sterling of gold has been exported from India since last September and the export looks like continuing. More gold has been exported since last September or rather gold has been exported from India since last September at a higher rate than it has even been exported from the gold fields of South Africa. This export has greatly helped to strengthen the rupee exchange and the position of the Indian credit in the markets of the City of London and the world. If I needed evidence I would point to the fact that only a few weeks ago the Government of India was able to repay without further borrowing a loan of no less than 15 million sterling raised in 1921-22" (Cheers).

"Has any other great Government, in any part of the world, during the last six months, repaid a big loan, without having to borrow further for repayment? If I look at the quotations of the Government of India stocks in the City to-day, I see the greatest possible improvement compared with the quotation in last September. Let me give an instance. Four and half per cent Sterling Stock 1950-55, which, in September 1931, was quoted as low as 61 now stands in the neighbourhood of 84 and Five and half per cent Sterling Stock 1936-38 has risen from 80 to 97 in the same period. This great step forward has been taken towards winning back for Indian credit the high place it formerly held in the estimation of the investing public. If I may sum up the economic situation in a sentence I would say that India

is through the worst of the crisis and is in a better position to take advantage of the general recovery.

"Whilst I have exposed to them the Indian situation as I see it to-day the members will not wish me to take up time further, but it may be that many will be saying 'you have spoken to us of the India of to-morrow.' Let them not think, if this criticism is in their mind, that I am not constantly pondering over the India of to-morrow. If I have not spoken of it to-day, it is because this debate is for the specific purpose to discuss Indian administration during the last few months and I should have been out of order if I plunged into a discussion of the constitutional change of to-morrow.

Mr. Lansbury asked if the Chairman had ruled that the discussion of the Round Table Conference was out of order, pointing out that there was a sum of £36,000 in the Estimate on account of the Conference.

The Chairman replied that he did not know how far it might be desirable to allow such a discussion and he must see what direction the discussion took, reminding him that he was unable to allow a discussion on any matters involving legislation.

Mr. Lansbury urged that it should be open to the Committee to discuss expenditure on account of the Conference dealing with the future constitution of India.

Sir S. Hoare said he did not dissent from that view and continued: "I was saying that no doubt many members may be under the impression that whilst I am dealing with these questions of detailed administration I may not be thinking of the bigger issues of to-morrow."

"I can assure them that that is not the case. Whether in the field of administration or in the wider field of constitutional change we are just as anxious for co-operation with representative Indians as we have ever been in the past. The Committees composed of representative Indian and British public men that are working out certain details of the Indian constitution in India to-day are the outward visible sign of the sincerity of our desire for this co-operation. The emergency powers are not a sign of the end of the policy of co-operation. They are not a sign of war between Britain and India. They are not even evidence of the conflict between the British Government and Indian political aspirations. They are neither more nor less than the bulwark of any Government against anarchy, disorder and revolution. They are as much needed for the Indian constitutional progress in the future as they are for the prevention of strife and bloodshed in the present.

"Let Indians of all sections of opinion realise this fact and let them constantly remember the evidence that we have given them of our desire for co-operation in the long months of patient forbearance whilst Government was subjected to threats and insults, the continuous highminded efforts of Lord Irwin for peace and the help that we have ungrudgingly given in trying to solve the constitutional problem of the future. Time after time we have proved our readiness to work with them provided they sincerely desired to work with us and provided that they were prepared to work upon the line of policy that was approved last December by an overwhelming majority of the House of Commons. Upon these lines we are ready to go forward. It is a crime against the future to put obstacles in our path."

Mr. Morgan Jones (Labourite) moving a reduction of the India Office vote said that, but for the explanation that it was out of order to discuss legislation, he would have been disappointed as Sir S. Hoare's meagre reference to the Round Table Conference. **Mr. Morgan Jones** argued that the Consultative Committee was leading to a consultation only between permanent officials and said that everything now happening in India indicated a change in the Government approach to the problem. Referring to the "extraordinary celerity" with which **Mr. Gandhi** was imprisoned, **Mr. Morgan Jones** said that **Mr. Gandhi** believed that he would have an opportunity to discuss the Ordinances with the Viceroy when he returned to India.

Sir S. Hoare interrupted and was understood to say that he had received several communications from **Mr. Gandhi**, who had not suggested a breach of the undertaking.

Mr. Morgan Jones repeated that **Mr. Gandhi** seemed to be under the impression that he would be able to approach the Viceroy and he asked for the reason for sudden and swift decision to arrest **Mr. Gandhi** before he had a chance to exercise a moderating influence. **Mr. Morgan Jones**, continuing, said that **Mr. Gandhi**

represented a substantial body of opinion and if we were anxious to preserve the spirit of co-operation, it was exceedingly desirable to retain his willingness to co-operate to the last possible moment. Mr. Morgan Jones criticised certain of Sir S. Hoare's utterances including the quotation "Though dogs bark the caravan passes on."

Sir S. Hoare said that it was a very good quotation.

Mr. Morgan Jones agreed, but asked whether it was good to use it in India. He said that the people who had been cordial supporters of the Government had bitterly resented it. Mr. Morgan Jones proceeded to refer to the censorship and declared that he had heard from Pandit Malaviya that 1,100 words that he had attempted to cable to the Opposition had been held up on technical grounds.

Mr. Morgan Jones read Miss Slade's telegram which Sir S. Hoare characterised as very inaccurate in relation to the facts.

Mr. Morgan Jones argued that the Government had no right to withhold information from the members of the House of Commons even though it was critical of Government's administration. He proceeded to relate a number of alleged occurrences in India including the case of Dr. Forrester Paton and in the incident in Kaira, where men were said to have been seized and made to stand stripped and in all fours for two hours in the water of a village tank which he declared was a common form of treatment judging from the documents he had received.

Conservatives interrupted and asked for the source of Mr. Morgan Jones' information.

Mr. Morgan Jones replied that if he was to be asked the names he would ask Sir S. Hoare for his informers.

Referring to the Ordinances, Mr. Morgan Jones declared that there was not a vestige of liberty left. He was convinced that the Government's policy was bound to wreck every attempt at reconciliation. He invited Sir S. Hoare at this late hour (despite the provocations which he might feel the Government had suffered, but which other side felt equally) to review the situation and limit speedily the exercise of arbitrary powers lest there should soon be no friends of Britain left in India.

Mr. Geoffrey Lloyd declared that Mr. Morgan Jones's strictures would not affect the admiration the House felt for Sir S. Hoare's administration of Indian affairs. He hoped that India realised the overwhelming support Sir S. Hoare had. (Conservative cheers). It was quite clear that India would be efficiently administered as long as Sir S. Hoare was Secretary of State.

Mr. Lloyd proceeded to deal with the various trade aspects of the situation, particularly with reference to the Ottawa Conference and the benefits which India might derive from it, and said that the suspicion must be dissipated that India's fiscal policy was dictated from Whitehall. He pointed out that "as the result of Britain's change of fiscal policy, our relations with India had changed. We had no need now to wait for preferential favours, but could suggest reciprocal arrangements urging that Ottawa should take a broad survey of the Empire's commerce. Mr. Lloyd said that India should take a prominent part, and suggested the inclusion in the Indian delegation of unofficial members and representatives of the great Indian industries. Mr. Lloyd thought that India might easily secure substantial advantages from the Dominions. He also urged the British Government to remember Indian interests when negotiating with foreign countries with a view to securing for India tariff concessions in foreign markets. He added that there must be two sides to any transaction. Preference for British machinery and general manufactures would be of the highest value.

Col. Wedgwood believed that the Ordinances were necessary, but the cure for the present situation was to give chance of prosperity to the people of India themselves. He did not think that the Congress would complain of Government's measures. He was afraid that the Round Table Conference and the Committees in India would leave matters worse, so far as democratic India was concerned.

Sir Reginald Craddock congratulated the Government on its firmness in calling the bluff of the Congress, but he doubted whether a Government based on democracy could settle Hindu-Moslem differences which an autocratic Government might.

Major Attlee condemned anarchy and murder, but expressed the opinion that it was a mistake to repress the whole of the Congress movement by force. He feared that the Government, in seeking to placate the minorities, might estrange the majority. He considered it undeniable that the Indian commercial interests in the

past had been sacrificed to the British. He asked who was going to represent Indian trade at Ottawa and urged that Indian interests must be really represented. Major Atteele feared that the Government's policy was forcing Indians into the Congress and Britain would eventually be opposed by a United India.

Mr. Walter Smiles supported Sir S. Hoare, but observed that the tenders of the Bombay Municipality emphasised to intending contractors that no articles manufactured in the British Empire outside India should be used except, when not available elsewhere. It was not fairplay, commented Mr. Smiles, to prosecute picketers and allow the Municipality to defy the Government.

Mr. Bernays, after commenting on National Government's successful handling of the Indian situation, urged an early statement on the new constitution which would powerfully strengthen the forces now rallying to Government's policy of peace and order.

The Labourite, **Mr. John**, advocated the discontinuance of the present policy and the release of Mr. Gandhi and others from whom he thought mutual understanding would be possible.

Mr. Molson, while acquitting the Congress elsewhere in India of connection with crimes of violence, declared that people exercising influence with the Bengal Congress Committee, and Calcutta Corporation were involved in terrorist conspiracies and appealed to Sir S. Hoare as a duty to the people of Bengal to ensure that this evil was eradicated.

Hon. Cadogan condemned the Congress leaders' reliance on mob rule and asked for an assurance that there was no idea at present of parleying with imprisoned leaders.

Mr. Lansbury said that certain speeches referred to Indians as though they required to be taught how to govern their own country. "This piece of impertinence", Mr. Lansbury observed, "should be dismissed from our minds." The Congress had shown that its policy was to work on peaceful lines.

Mr. Lansbury reminded the House that a "certain form of agitation", had secured Home Rule for Ireland, when the Home Rule Party in the House of Commons had accomplished nothing. India had been promised self-government. Did the Prime Minister's statement at the Round Table Conference mean that the All India Federation, at some point, would have absolute control as the British Dominions overseas? Mr. Lansbury said that Mr. Gandhi was never satisfied whether the Government meant that safeguards about the Army, Finance, etc, would disappear at the end of the transitional period. Mr. Lansbury believed that, once the right of self-determination was conceded to India, everything could be satisfactorily arranged. The greatest censure of our administration was a discontented India, and "despicable methods of holding the people down." Was not conciliation a better way?

INDIA AND OTTAWA CONFERENCE

Sir S. Hoare winding up reiterated that the Government was just as ready as ever to co-operate with any section of the Indian opinion that would co-operate with us, but they must co-operate with us and co-operate on the lines of Government statement twice repeated and endorsed by both Houses of Parliament last December. Sir S. Hoare regarded with the greatest expectation the result of the Ottawa Conference. The Government of India and himself were at present in close communication regarding the Indian representation at the Ottawa Conference. We were anxious that India should play a prominent part at the Ottawa Conference, and that the paramount interests to be considered there in India's case, should be Indian interests. We had not the least intention of dictating economic policy from here regarding what India should or should not do at Ottawa. We wanted Indian interests to be kept constantly in force. We believed that when Indian interests came to be considered it might well be found that there was a definite line of advance for India to take in her own interests in the matter of commercial agreements with other parts of the Empire. There had been allusions not only to the possibility of the greater Indian trade with British markets but greater opportunities in the Colonial markets. He could assure the House that that side of the question would be kept in mind at Ottawa. They would also keep in mind the suggestion made that possibly after the Ottawa Conference we might be able to help India materially in negotiations with foreign Powers. He thought he had said enough to show that the Government regarded discussions at

Ottawa as of the very greatest importance to India and the whole economic future of the Indian Continent.

Replying to the other points raised in the debate Sir S. Hoare pointed out that on many big questions concerning India there was not the unanimous opinion in India. Experience at the Round Table Conference had convinced all delegates that they had extremely difficult problems to deal with, which could not possibly be solved by phrases and generalities. He suggested that the fact that the Governments had lost no time whatever in sending out Committees to India on exactly the lines suggested at the Round Table Conference showed that they were carrying out the pledges and were definitely determined to proceed on the road of co-operation. If there had been any obstacle placed in the way of co-operation it had been placed there by the action of the Congress at the end of the year.

Sir S. Hoare said he had been asked whether there was to be any sudden reversal of policy. He could assure the House that the answer was 'No.' Another member had asked if he could give the date within which the new Indian constitution would be placed on statute book. With the best will in the world, we could not give the date for the obvious reason that there were many factors in the problem which were beyond our control altogether. For instance, we were trying to create an all-India Federation which meant a Government in which both British India and Indian States took part. We could not dictate to Indian States when or how they should come in. Questions of that kind must be a matter of negotiation and with the best will in the world we could not say when the negotiations would be complete.

Sir S. Hoare could say that we should proceed with the work of building up the Indian constitution with all possible speed. We should attempt to remove the obstacles and there would be no avoidable delay but he could not possibly give the actual date within which the constitution could be completed.

Referring to Mr. Wedgwood's criticism of the evils of indirect election, Sir S. Hoare said: He had often thought that as far as India was concerned it might be possible to get wider representation particularly for the villages by means of some kind of village election. That was perhaps one of the few questions on which Mr. Gandhi had agreed, but Sir S. Hoare would not enter into an argument with Mr. Wedgwood on a question of that kind.

Replying to Major Attlee's criticisms that Sir S. Hoare was putting the whole of India against Britain and that linking the rupee with the sterling had done a grave injury to India's economic life, Sir S. Hoare said he would only say that, judged by the results hitherto, it did not seem that the criticism had much foundation and dealing with Major Attlee's declaration that, in attempting to satisfy the minorities Sir S. Hoare would fail and turn the majorities against him and also that the policy of giving a new constitution to the North-West Frontier was doomed to equal failure. Sir S. Hoare said he had no reply to make to those prophecies of evil except that the future would show whether he or Major Attlee was right. Sir S. Hoare continued that Mr. Lansbury had criticised Mr. Molson for identifying the Congress in Bengal with terrorist movement. Sir S. Hoare wished that those criticisms were justified.

It was perfectly true that there were many supporters of the Congress who had no concern, whatever, with the terrorist movement, and that many members of the Congress had repudiated terrorist methods, but it was also true that several of the most prominent Congress leaders in Bengal had given their blessing to the terrorist movement. If he had time, he could quote chapter and verse to prove the truth of what he was saying. He had a mass of material proving its truth. In view of these facts, he maintained that Mr. Molson's statements were justified, and as far as Bengal was concerned, there had been much too close a connection between the Congress organisation and the terrorist movement.

Sir S. Hoare undertook to look into the points raised by Captain Fuller relating to the Indian Army, particularly with regard to compulsory retirement. Referring to the case of Rev. Forrester Paton, Sir S. Hoare said that he was looking very carefully into it, and from the information given to the debate, it looked as if a mistake had been made. But he must say, in justice to the authorities in India that he had only heard one side of the case, and must reserve judgment until he had the whole facts before him. Sir S. Hoare assured the House that if a mistake had been made in this or any other case, he and the Government would admit it. Regarding the more general case about the administration of law and order in the Province of Madras, he had received a telegram only to-day, stating quite

categorically, that the Government of Madras were carrying out both in letter and in spirit, the instructions of the Government of India which he had read earlier to-day.

Dealing with Mr. Morgan Jones' criticisms, Sir S. Hoare said he seemed to think that the Government had gone back on the pledges of last winter, and that even Committees which they had set up were not the committees contemplated by the Round Table Conference, and that altogether, the chapter of co-operation was at an end. Sir S. Hoare could assure him that none of those charges were true. Mr. Morgan Jones had referred to the fact that the Committee, at one time, called the Working Committee, was now called the Consultative Committee, but the title did not make the least difference to the Committee's work. Mr. Morgan Jones had also criticised the fact that the Committee was composed exclusively of Indian representatives. This particular committee was always intended to be a committee of Indian representatives, from whom we could obtain Indian views on a certain number of specific constitutional questions. The Committee, whatever its name, was exactly the committee contemplated last December.

Dealing with the general question of co-operation, Sir S. Hoare drew attention to the fact that co-operation was still continuing and that a number of prominent Indian representatives were working with British representatives on three committees. The House could take it that the chapter of co-operation was certainly not ended, and that the Government were just as prepared to-day as last December to co-operate with anybody, who was prepared to co-operate with them.

Dealing with Mr. Morgan Jones' criticisms regarding the abuse of the Emergency Powers, Sir S. Hoare said that he would venture to repeat the warning he had made earlier that atrocities of that kind were very easy to fabricate and that past experience had gone to show that in nine cases out of ten, they were fabricated, and there was little or nothing in them. Where there was a definite reason to think that there had been abuse they would certainly make an investigation, but he rather regretted that Mr. Morgan Jones seemed to take the responsibility of some of the charges. Sir S. Hoare would look into them, and he would be surprised if a great deal of the substance was found in them.

There was no ground, whatever, for the criticism, that the Government's policy had been reversed and that they had now substituted a policy of war, and conflict for a policy of co-operation, which was supported by an over-whelming majority of the House last December.

Mr. Morgan Jones' motion for the reduction of the vote was defeated by 195 votes to 23, and the debate concluded.

Debate on the Indian Situation

House of Commons—24th. March 1932

On the motion of adjournment for Easter Mr. Grenfell, on behalf of the Labour Opposition, delivered a general indictment of Government's policy in India as contrary to the letter and spirit of the Prime Minister's declaration at the close of the Round Table Conference. Mr. Grenfell said that then hopes were raised that the long negotiations had not been fruitless but they had never been told clearly why Mr. Gandhi failed to get the conference with Lord Willingdon and why the amnesty so thoroughly endorsed by the Prime Minister did not operate. We now appeared to be further back than we had been for years, not because of any absence of desire for a settlement, but apparently because the machinery of conciliation had broken down. Moderate opinion in India was more profoundly anxious than it had been for a long time. There was a movement in India expressing itself unwisely possibly in the opinion of many people in this country but there was a movement which was growing all over India. Mr. Grenfell doubted whether the Ordinances could be justified on any ground. The Government were building up a tradition of injustice, which was not a good

augury for the hopes expressed by the Premier. There was a feeling in India that the British Government would not keep its word.

Mr. Grenfell said that the Indian people must be told that we did not wish India to be maintained for ever under repression and tyranny.

Mr. Grenfell read extracts from the telegram from Pandit Malaviya, which he said, had been stopped in transmission. The telegram quoted a large number of alleged assaults and arrests. It declared that the boycott movement was progressing and that the sales of British cloth and other goods were diminishing. It added that severe measures had only stiffened the Indian resistance while the Government's prestige was being lowered and financial bankruptcy was ahead. The telegram concluded by demanding the abandonment of the present policy on the ground of humanity and justice and Indo-British trade relations.

Mr. Campbell (Conservative) believed that Sir Samuel Hoare and Lord Willingdon were as eager to withdraw the repressive measure as anybody else, but, where there were murder, violence and picketing, the Government must take measures to preserve Law and Order. He complained that hitherto there had been lack of Government propaganda to counteract the civil disobedience campaign and seditious lies and exaggerations in the vernacular press. He extolled the arrangements made by certain district officers to explain the position to the populace and hoped that that policy would be carried out throughout India especially in rural areas.

He urged British firms to withdraw from advertising from newspapers carrying on anti-British propaganda.

Colonel Applin (Conservative) referred to the breakdown of the negotiations on the question of communal representation and the request that the British Government should decide what he claimed Indians were unable to decide for themselves. Indians were asking for the impossible. How do they expect us to give a decision acceptable to both parties? He urged that, if asked to give a decision, we should, as recommended in the Simon Report, grant self-government in the first instance to the provinces in order to make an experiment on a smaller scale. If Indians succeeded in governing themselves in the provinces, they might find a solution for the larger problem. Col. Applin urged that consideration should be given to the smaller communities, especially to the rights of Englishmen living in India.

Mr. Morgan Jones (Labourite) invited Sir S. Hoare to reiterate that the Government did not intend to recede from the declarations made at the conclusion of the Round Table Conference. He claimed that the present situation was alienating not only the Congress adherents but Moderates also.

Sir Samuel Hoare declared that the state of India to-day was in many respects substantially better than the end of last year. By every possible test, whether the standing of Indian credit, the gradual rise of the prices of the primary commodities, the intake of revenue or any other test, financial or economic, the position in India was substantially better to-day than last December.

Sir S. Hoare observed that some vernacular press went to far greater length than the Press in any other country. Indian Provincial Governments were very much aware of the need of greater propaganda. Government officials were now travelling the districts explaining to the villagers. They were also exploring the possibility of cinema propaganda. One or two Indian Departments now had travelling cinemas and it was believed that the result had been satisfactory.

Government was giving foreign correspondents in India every opportunity of seeing the position themselves. He thought that during the last few months the facts of the situation in India were better reported in American and foreign Press than formerly. As regard the charges of repression and the allegation that the Government had ended the period of conciliation initiated at the Round Table Conference, Sir S. Hoare admitted that the Ordinances were very drastic and severe, covering almost every activity of Indian life, but he did not apologise on that account for their introduction. The Ordinances were introduced comprehensively because the Government with the full knowledge at its disposal sincerely believed that they were threatened with an attack on the whole basis of the Government. The Ordinances were essential to prevent India from drifting to anarchy and disorder. As regards the suggestion that the Ordinances were carried out to the extreme and sometimes in a tyrannical manner, Sir S. Hoare said he had very carefully enquired into the number of allegations that the police or authorities had abused powers and hitherto he had found very little foundation. He would be the first to admit when a mistake had been made, irrespective of the fact whether it concerned the Britisher or the Indian and he was prepared to make the same

apology. As regards Pandit Malaviya's telegram, Mr. Grenfell was misinformed concerning the alleged stopping of the telegram. What actually happened was that Pandit Malaviya submitted a telegram of 1,100 words containing what the authorities believed much inaccurate information. Nevertheless the Postal authorities did not raise an objection.

The officials asked Pandit Malaviya to pay the fee which seemed to be very reasonable (laughter), but Pandit Malaviya demurred desiring to send at press rates upon which the officials pointed out that Pandit Malaviya had no connection with the press. In conclusion Pandit Malaviya did not wish to send the telegram owing to the high cost of transmission.

Sir S. Hoare said that no effective step to constitutional advance either in the centre or in the Provinces was possible without some kind of a communal settlement. The Government were not prepared to accept a deadlock. Government's position was very clearly stated last December by the Prime Minister, who said that while the best solution would be for the communities to agree among themselves, if the communities failed, Government would be compelled to give a provisional decision enabling the constitutional advance.

It would be most regrettable if the Government were compelled to decide the whole series of vital questions the result of which would be dictating the terms of the Indian constitution thus abandoning the foundation of mutual agreements. He was very sorry that the communities had not agreed among themselves and appeared to be so worried about the future.

The communities felt that they had been drawn into a discussion of the final details of the constitution before they were sure of the safeguards necessary for their very existence.

Sir S. Hoare could understand their anxiety and could only say to them that if they believed our word last December, there was no reason why they should disbelieve our word to-day.

We said we would insist on necessary safeguards for minorities in any constitutional Act. The Government had given the word. The Commons had given the word by the approval of the Government's policy. We intended to advance exactly as the Government said it would advance last December.

Meanwhile Sir S. Hoare suggested that the leaders of the communities should concentrate their efforts in organising their forces for the inevitable future elections rather than in heated discussions concerning Government's intentions. There was real need to-day for the effective organisation of political parties. The time was short before the date of future elections when grave issues might be decided.

Sir S. Hoare, added that, whilst he fully realised the great complexities of an All-India Federation, he was convinced that an All-India Federation comprising the States and the provinces would give India the best chance of constitutional development on a sound foundation. "I wish to say with the full authority of the Government that we are as deeply interested in the development of an All-India Federation as in the last winter. We wish to see the Princes enter the Federal system believing not only that the Princes would best serve their own interests, but also the interest of India and the Empire. Differences of opinion among 600 States were to be expected, each Prince having the duty of dynasty to the State to scrutinise very carefully the terms upon which he would be invited to enter the new form of Government.

"Modifications may be required in the Federal plan which we will be prepared to consider. We do not in the least wish to impose a dictated scheme on the Indian States. We want a workable scheme of effective Federation, not a mere agreement to co-operate, but a scheme combining British India and Indian States for agreed purposes in the organic constitutional structure.

"I hope I have made it very clear that the Government is intensely interested in the success of the All-India Federation and welcomed the latest information from India showing that, despite obvious difference as regards the details and method, there is a solid body of support both in the 'Indian States and in British India behind the All-India Federal advance."

S. Hoare reiterated the Government's intention to proceed with the programme and said that they did not intend to be deflected from it by threats or force of sudden alarms. Meanwhile, the primary duty of the Government was to maintain Law and Order, thus preventing India from drifting into anarchy and chaos. "That did not mean that we believed that India could be governed indefinitely by Ordinances, which were intended to deal with an emergency." The Ordinances

would be enforced as long as the emergency continued. He would be lacking in candour to the House if he suggested that the emergency had yet passed. "We intended to proceed with the programme believing that we should carry it through. Meanwhile we would maintain soundly and firmly the foundations of stable Government."

THE R. T. C. COMMITTEES

Sir S. Hoare paid a tribute to the work of the Franchise and States Inquiry Committees, who had been travelling throughout India and were making substantial progress. Every member of the House ought to be grateful to those Committees, particularly their Chairmen, for the great efforts they had been making in order to complete, at a comparatively short time, work that might normally take many months, indeed years. There was a third inquiry which had made considerable progress, namely, Lord Eustace Percy's inquiry into the relations between Federal and Provincial State Finance. There was also the Consultative Committee composed of representative Indians which had already two sessions and would have another session during spring.

Though they had not reached the end of their labours they had collected Indian opinion on a series of points which would be very valuable when drafting the constitutional bill. "We in London had not been idle. We have been having daily meetings with all available expert opinion and considering in detail points likely to emerge in the Indian constitution. We have proceeded with the best good will with inquiries we had undertaken last December. We realise to the fullest the great difficulties which are inherent in the present position in India of which the first is the communal difficulty and the complexity of [the whole question of the All-India Federation."

The debate concluded after Sir Samuel Hoare's speech.

The India Office Vote Debate

House of Commons—29th. April 1932

Opening the debate on the India Office vote to-day, Sir Samuel Hoare declared the Government's position was unchanged. They were going ahead with the policy that was based on the two foundations of order and progress which had already been overwhelmingly approved of by the House. They believed that order could not be maintained without progress. They were certain that progress could not be obtained without order. Sir S. Hoare challenged anyone to produce a better policy or to give the reason for thinking that the Government were not in spirit and letter carrying out the programme contained in the White Paper.

Sir S. Hoare did not deny the existence of a very difficult constitutional problem but he urged that the question should be regarded as a whole and not only in terms of the partisan constitutional wrangles.

Sir S. Hoare proceeded to deal with day-to-day administration in which connection he paid a notable tribute to the energy, optimism and keenness of the Viceroy, who "although he has reached the age at which he is entitled to old age pension, is showing physical vigour and fitness which anyone in the House may envy."

Sir S. Hoare said that the past 12 months had been very difficult, but despite the cuts in the expenditure and the political difficulties, the administration, both central and provincial, had a record of fine achievements. He instanced in this connection the Sukkur Barrage and Punjab Hydro-Electric Scheme.

Sir S. Hoare also emphasised the advance made in the past year in improving the health, particularly dealing with cholera, malaria and leprosy.

Turning to the economic position, Sir S. Hoare remarked that if there had been a state of war between British and India we should surely have been faced with the most formidable economic crisis, whereas the financial and economic position of India was much better to-day than six months ago.

Continuing Sir S. Hoare said that prices were beginning to rise, taxation was coming in fairly well and rents were being paid. This showed that India was stronger economically than last September.

Sir S. Hoare contrasted in this connection the fact that in the last autumn an Indian loan would have been impossible except at prohibitive rates, whereas this week's loss had been heavily over-subscribed and stood at considerable premium. Sir S. Hoare repudiated the charge that because there were men and women imprisoned in India, the country was suffering under the iron heel of Russian tyranny and reminded the House in this connection that imprisoned persons, who were no fewer than 26,000 men and women, were double that number when Mr. Lansbury was a member of the Government.

Sir S. Hoare urged the House to consider the facts and figures calmly and not to assume that India was in a state of revolution. He said that it was his considered view that there was not an overwhelming crisis in India at present, but that the situation on the whole was better than could be expected considering all the upheavals going on in other parts of the world.

Sir S. Hoare said he had enquired most carefully into the charges made in the course of the last debate about the abuse of emergency powers and the conduct of the police and he had satisfied himself that the powers had been sensibly administered.

He was also satisfied that unscrupulous propaganda was being carried on in Britain, the Continent and India for the purpose of vilifying British rule and officials and he suggested that the people who might be influenced by such propaganda ought not to be too credulous and they would do well to reserve some sympathy for the wives and children of British officials murdered by ruthless terrorists.

Sir S. Hoare assured the House that Government would not be deflected in the least from their course by this flood of unscrupulous propaganda. Sir S. Hoare concluded by affirming that they were going straight ahead with the policy laid down in the White Paper—a policy laid on true foundations of order and progress.

Mr. Lansbury affirmed that the Labourites did not believe that any material benefits which the conqueror might confer on the conquered could take the place of self-determination, and the right of the conquered to choose for themselves. This was the vital difference between the Opposition and Government.

Mr. Lansbury proceeded to inquire if the Indian opinion would be perfectly free to decide Indian policy at Ottawa and urged that whatever was approved there should be subject to a vote of the Indian Legislature, officials and nominated members not voting. Declaring that Sir S. Hoare's policy was bound to fail **Mr. Lansbury** paid a tribute to the patience of the Indian people who had solidly, without arms and practically without violence, endured suffering, imprisonment and privation on behalf of their cause.

Wing-Commander Smith said that anarchy, corruption and chaos constituted the only alternative to strong Government and stressed the importance of the Frontier problem which no party was less capable of handling than the Congressites.

Mr. Maxton declared that India should rule herself. He added that he was concerned with the struggle for the poor, for social and economic liberation and asked if it was necessary in order to maintain the dignity of British Raj to clap ladies in- to jail and whip boys of fifteen.

Referring to the Meerut trial **Mr. Maxton** asked if it was in accordance with fairplay that proceedings should be going on for three years.

Mr. Churchill commented on the courageous decision to arrest **Mr. Gandhi** and other Congressmen and to enforce the Ordinance which, he declared, made a great difference in his attitude. He did not ask the Government to close the door on sane well-conceived constitutional advance, but said expectation must not be raised which could not be fulfilled. We should state what we are giving at a minimum in words and allow it to become a maximum in effect.

Mr. Churchill emphasised that the advance must be shaped from the viewpoint of India's well-being and trusted that Britain was not going to dissociate herself from the primary duty of sustaining the welfare of the masses of India.

Sir Samuel Hoare, replying to the debate, emphasised that he had not the least desire to dictate the course of negotiations at Ottawa from the Indian viewpoint and pointed out that the authorities in India had a very free hand in selecting the delegation. He was very anxious that the Indian interests should be the dominant recommendations.

Sir S. Hoare then read out the Government of India's statement to the Assembly in this connection. Replying to questions about the Emergency Powers Sir S. Hoare said that the Ordinances would be kept in force as long as the emergency required. He could say no more than that. As to what the Government of India proposed to do upon the expiration of the Ordinances it was much too soon to come to any decision on that matter. It must depend on what the Congress was going to do two months hence and what their attitude would then be to the Government. Whatever measure might be necessary would be taken. "I have also been asked whether the Government proposed to take any steps, for example, by using an intermediary to secure the co-operation of Mr. Gandhi. In this matter of co-operation the record of the Government is quite clear."

His Majesty's Government and the Government of India persisted with success in their efforts to secure Mr. Gandhi's presence at the last winter's Round Table Conference and as he himself would, I think, admit we co-operated with him in the fullest and frankest way, not only in the Conference but outside it. We did our utmost to maintain the relations so established but our endeavours were frustrated by the action of the Congress, particularly in the United Provinces and North West Frontier Province and finally by the renewal of the Civil Disobedience in January.

"There can clearly be no question of co-operation with anyone associated with Civil Disobedience. If Mr. Gandhi has a disposition to restore the relations that existed at the Round Table Conference he will find not the slightest difficulty in conveying the fact to the Government without any intermediary and Government will earnestly consider the position thus created.

"But I want to make one thing clear. There can be no question of making a bargain with the Congress as a condition of his co-operation."

Replying to the question whether he had had any correspondence with Mr. Gandhi since he was in prison, Sir S. Hoare said there had been a correspondence between them, but it had nothing to do with any negotiations for Mr. Gandhi's release. It was entirely connected with certain personal misunderstandings that were supposed to have arisen from the conversation between Mr. Gandhi and himself before Mr. Gandhi left London. The only additional matter in the correspondence were certain observations of Mr. Gandhi on the present state of affairs.

Sir S. Hoare said that, to remove any possible misunderstanding, there was no question of any kind of negotiations.

Referring to Mr. Churchill's suggestion of the change of attitude, Sir S. Hoare said his own attitude was unchanged since he first joined the Round Table Conference. Government's policy also was unchanged.

Sir S. Hoare asked Mr. Churchill not to make the mistake of thinking that there was any difference of opinion between himself and other members of Government. He said the only change which had occurred was the attitude of the Congress which he regretted. "We have not ended the chapter of co-operation. We are always ready to co-operate with anybody prepared to co-operate with us."

Sir S. Hoare added that the delays in the Meerut Trial were due to the obstructive tactics of prisoners and their counsel.

The debate was then adjourned to the 27th. June.

House of Commons—27th. June 1932

Resuming the debate on the India Office vote Sir S. Hoare said that the proposed to explain the Government's immediate programme to ask the House to help it, surmounting practically and sensibly the obstacles still in the way of constitutional development. He indicated that his speech would fall under three heads, namely, the Ordinances, the communal question and Constitutional procedure.

Speaking on the Ordinances Sir S. Hoare said generally the action taken had completely succeeded in keeping the Civil Disobedience in check and in some cases had exceeded expectations.

Sir S. Hoare maintained that the charges of excessive use of powers were justified. They were admittedly drastic but were justified by the necessity of proving that Civil Disobedience could not succeed against the organised resources of the State. Hardly more than one in 10,000 of the population had been prosecuted in connection with Civil Disobedience and less than one in 20,000 under the Ordinances, while the powers had unquestionably prevented loss of life and property and greatly diminished the necessity of forcible action.

Regrettable incidents were remarkably few. The use of Ordinances had been strictly confined to actual needs and had been on a diminishing scale.

The position might be summed up by saying that the Government had the movement under control and the initiative was with them and not with the Congress but, though mischiefmakers had been effectively checked, they did not yet intend to abandon the subversive campaign. In such a situation the test of policy was whether action was necessary in the interests of Law and Order and good Government and whether it was calculated to give protection from illegal and oppressive tyranny which the community was generally entitled to expect.

Sir S. Hoare then announced that, judging by this test, the Government had come to the conclusion that it was necessary to retain the powers.

Sir S. Hoare said: "We have come to the conclusion that there will be on 3rd July an emergency sufficiently grave to necessitate the exercise of special powers. Therefore it is intended to assume by Ordinance the majority of the powers that will otherwise lapse.

"A few of the present powers will not be renewed and no additional powers will be assumed."

Sir S. Hoare added that the Government of India desired to restrict the application of the powers to provinces where they were definitely required. Similarly in the provinces powers would be applied only in the districts where they were indispensable.

Replying to possible criticisms of this decision that the powers were unnecessary in view of the definite improvement in the situation and that sullen resentment was being created amongst many who were not participating in the Civil Disobedience, Sir S. Hoare said that though the powers might not be used they must be retained in reserve since the people with whom we were dealing would concentrate on every gap in our defence. He said that the application of powers would be carefully and sympathetically regulated by the needs of the provinces and districts.

Sir S. Hoare claimed that sullen resentment existed among those whose efforts had been frustrated. He admitted that there were others who regretted the drastic action taken, but many of them wished to see a drawn battle between Government and Congress movement.

The Government would not be content with a drawn result. We were determined to take every action in our power to suppress this challenge to our authority.

Sir S. Hoare referred to the great sections of the population, who stood behind us and said that the way to show our good faith was not to break with friends nor to take action one day and abandon it the next, but to go resolutely on with the programme to carry out the pledges we had made.

Sir S. Hoare reminded the House that there could be no constitutional advance in the centre or the Provinces unless the communal question was decided. He said that the Government's hope that the communities would settle the question for themselves was disappointed and during the last six months the communal question on the whole had become more bitter and more complicated.

Sir S. Hoare repeated the pledge that the Government would be prepared to make a decision and said that they intended to do so during summer.

It would be impossible to give a specific date on account of the complexity of the questions involved and the necessity for the Premier's presence in London so that he could give valuable undivided attention to it but the Government were so determined to go on with the constitutional programme that, despite all the manifold difficulties and danger, they would give a decision in summer.

Discussing procedure Sir S. Hoare emphasised the anxiety of the Government to avoid unnecessary delay and to retain to the end Indian co-operation, which meant so much in the last two years. Therefore they intended to attempt to proceed by one Bill.

Sir S. Hoare hoped that this would be satisfactory to a great majority of Indians and would be to the convenience of the members of the House, who would thereby be asked to deal in the present Parliament with one comprehensive measure. He added the Government had started conversations with representative Princes, which would be continued primarily in India with a view to seeing at the earliest date how far they could proceed with the All-India federal scheme.

Sir S. Hoare then made the declaration issued by the Viceroy in India—(see *Poste*).

Announcing the Government's plans to establish an All-India Federation, Sir S. Hoare said that the Government thought that a settlement of the outstanding ques-

tions would only be delayed by the formal sessions of large bodies like Round Table Conference. They therefore proposed to give a decision on the communal question and, provided sufficient progress was made regarding other questions in India, they would proceed to create a Parliamentary Joint Select Committee to consider proposals for a revision of the constitution.

The Committee would confer with representatives of Indian opinion and ensure its influence before an irrevocable decision was reached by Parliament.

Mr. Morgan Jones, formally moving the reduction of £100 in the vote, said that the Opposition required adequate time to consider Government's proposals. They would not, therefore, discuss them in detail, but they would have felt greater confidence in their ultimate success. There had been a hint in Sir S. Hoare's speech that he intended to use the time between now and the end of summer in trying to build a permanent bridge across the gulf between Government and the section of opinion represented by Mr. Gandhi.

Mr. Morgan Jones said that the information at the disposal of the Labourites did not accord in every particular with the glowing and comforting picture painted by Sir S. Hoare. He said that the Ordinances were driving the Congress movement underground, while the policy of repression was tending to create a situation which was driving Moderate opinion into closer association with Congress.

Mr. Morgan Jones urged that if the Government wanted to propound proposals for a larger measure of self-Government they should make co-operation attainable by a policy of reconciliation with the Congress.

Sir Reginald Craddock urged that if reforms were granted it should be made plain that they were a difficult and dangerous experiment, which would be rescinded if they failed.

Col. Wedgwood thought that the time had come for the democrats to point out the danger of a federal solution which, with the representation of landlords and others including the Princes, would constitute a tremendous obstacle to democratic development.

Sir Alfred Knox hoped that those, who, like himself, considered that the constitutional advance of India should be slow, would be represented on the Joint Committee.

Mr. Wardlaw Milne congratulated Sir S. Hoare and expressed the opinion that the time for Conference was over and the time for action had come.

Mr. Ernest Bennett while admitting the necessity of the ordinances criticised the system of compelling people to report to the police daily.

Major Milner welcomed the modification of the Ordinances expressing the opinion that they had been excessive and the powers had been used excessively. Major Milner hoped that Sir S. Hoare would allow anyone willing to mediate to do so.

Sir Adrian Baillic, supporting the Government's policy, stressed the importance of the trade with India and urged, as a result of his recent visit to India, a change of attitude of British and European residents towards Indians.

Miss Rathbone dwelt on the importance of speed in carrying out the programme outlined by Sir S. Hoare and asked if Mr. Gandhi would be among those whose co-operation was sought.

Mr. Sandeman asked for assurances regarding the safeguards, about which Lancashire wanted to know more.

Mr. Grenfell described Sir S. Hoare's statement as the most satisfactory on the Indian question made in the House for some time.

Mr. Lansbury said that Labourites took the view that Sir S. Hoare's statement marked a departure from the method inaugurated by the Labour Government with Conservatives' approval. They had started with the idea that Indians would be consulted throughout but now Indians would be "closed down."

Mr. Lansbury made it clear that Labourites took their stand on the principle that the people of India were entitled not only to self-government but also to self-determination. They had the absolute right to remain in the British Commonwealth or leave it and that was the standpoint from which Labourites would judge legislative proposals when they were submitted to the House or the Joint Committee. Mr. Lansbury contended that if the Government was unable to maintain the position except by such powers as were described to-night we had no right to remain rulers of the country and thought that Sir S. Hoare, instead of saying that it was a fight to the end, should have adopted different methods. He appealed to Sir S. Hoare to get in touch again with Mr. Gandhi. (Laughter and cries of dissent from many Government members).

Mr. Lansbury referred to the letter of the Archbishop of York and others (in which they expressed the hope that an opportunity may be taken for some gesture of goodwill from the side of the British Government) as showing that he was not alone in his view. He again appealed to Sir S. Hoare to go to India and negotiate again with Mr. Gandhi or try to find a solution, as a solution must be found.

Mr. Churchill castigated the Lothian Report, which would cause immense unrest. Nevertheless he considerably agreed with the procedure marked out by Sir S. Hoare, which, in the main, seemed a return to the old Birkenhead proposals and brought the problem back to Parliament's being responsible for the well-being, good Government and progress of India.

Sir S. Hoare, replying, repudiated the suggestion that Government's proposals meant the end of the Round Table Conference method. There was nothing further from the Government's mind than to bring this chapter of Indian co-operation to an end. There was no ulterior motive and the Government did not desire to sidetrack the expression of Indian opinion. The proposals made were solely and expressly for the purpose of avoiding delay. Another meeting of the Round-Table Conference and the Federal Committee would have postponed the introduction of constitutional measures certainly for a year and possibly indefinitely. He hoped that Mr. Lansbury would see that the Government were not impeding but expediting a settlement. He also expressed the hope that Indian co-operation would greatly help in the last stage of the deliberations.

Sir S. Hoare declared categorically that there was no change of policy.

We should proceed with the preparation of Government's proposals directed to the objective of a single Bill. This would be ample opportunity to judge whether the terms of reference were satisfactory. Government definitely intended that the main bodies of opinion of both Houses should be adequately represented.

Sir S. Hoare declared that there was no foundation for the fear that the new method might exclude representatives of Indian States from further consultation. The methods proposed were particularly desired by the Princes themselves. He would certainly see that the State representatives had an ample opportunity to express opinion at all the later stages of the deliberations. They preferred at present to start conversations immediately with the Viceroy and possibly later they might wish to send a delegation to London. In any case we should keep in closest touch with them in order to bring the Federation to a settlement at the earliest possible moment.

Concluding, Sir S. Hoare referred to Mr. Lansbury's appeal for reconciliation and affirmed that the Government were ready to co-operate with anyone ready to co-operate with them, but they would, on no account, begin negotiating with people who still showed no signs of wishing to co-operate.

As long as the motive forces behind the Congress are still arrayed against ordered Government, we cannot contemplate peace with them. Let them lay aside Civil Disobedience and make it clear that they are prepared to co-operate with us on the lines of the white paper, we shall not be slow to co-operate with them. Until they definitely abandon the attempt to smash the machine of Government and set themselves up as a rival to the accredited Government of India, there can be no question of negotiations of any kind."

The Opposition motion to reduce the estimates was defeated by 242 votes to 22.

The debate was then adjourned.

The Viceroy's Announcement

Joint Committee to Consult Indians

His Excellency the Viceroy issued the following statement from Simla on the 27th. June which was made by the Secretary of State for India in the House of Commons on the same day :—

"Since the policy of His Majesty's Government as announced to the Round Table Conference was endorsed by Parliament, the primary concern of His Majesty's

Government has been so to lay their plans as to facilitate its transmission into legislative results with the utmost possible despatch. The first immediate steps required to supplement the discussions of the Conference were enquiries of the three Committees which have lately returned from India. The reports of two of these Committees are now in the hands of His Majesty's Government and as they hope shortly to receive that of the third, they are in a position to indicate the methods by which they intend to make further progress.

"In the first place, His Majesty's Government have definitely decided to endeavour to give effect to their policy by means of a single Bill which will provide alike for autonomous constitutions in the Provinces and States. They intend that this measure shall contain provisions for enabling Provincial Constitutions to be introduced without necessarily awaiting the completion of all the steps required for the actual inauguration of the Federation. Since it is an essential feature of His Majesty's Government's policy that Federation, which it will be the object of the Bill to construct, shall be a Federation of All-India, it follows that the units concerned must be prepared actually to federate and that proposals to be laid before Parliament to this end must be complete in all essentials. In particular, there must be reasonable assurance forthcoming at the time the Bill is introduced that the financial and other provisions for cementing of the structure will enable the Provinces, States, the Federal Government and Parliament alike adequately and harmoniously to fulfil their several functions and that interests which require to be safeguarded shall be assured of practical and efficient protection. But it is their intention so far as it lies within their power to spare no efforts to secure the fulfilment of these conditions and to this end they will continue to prosecute their endeavours to find means as speedily as possible for surmounting obstacles which a study of concrete details necessarily discloses.

"His Majesty's Government have carefully considered the procedure by which they can, on the one hand, most expeditiously and efficiently overcome these obstacles and on the other hand retain the advantage of consultation and co-operation with Indian opinion which the Round Table Conference was designed to secure. After carefully considering the present position, they are convinced that matters have now reached a stage, at which the settlement of urgent and important questions that still remain to be decided will only be delayed by the formal sessions of large bodies such as the Round Table Conference or Committees such as the Federal Structure Committee. They have come to the conclusion that the expeditious treatment of outstanding questions will best be secured by following a programme which, though it involves some variation in method, will secure to the full, the collaboration which has been the underlying principle of the work accomplished hitherto.

"In the first place they will take the next immediate step towards the removal of obstacle and will announce the decision which they have undertaken to give on those aspects of communal problem which now retard progress. They are now engaged in the settlement of actual terms of the decision and unless unforeseen difficulties intervene they hope they will be able to announce it sometime during the present summer.

"Secondly, on the assumption that communal decision removes obstacles which have been impeding progress they trust that as soon as their decisions have been announced, the Consultative Committee will reassemble and will proceed continuously with its programme of work bringing its collective advice to bear on numerous and important questions entrusted to it, many of which were not examined by the Conference or its committees in London. Subject to discussion in the Consultative Committee of matters which affect both British India and Indian States, His Majesty's Government are considering the means by which solutions may be facilitated and expedited of those difficulties which confront them in connection with matters affecting the States alone. His Majesty's Government greatly hope that such progress may result from the Consultative Committee discussions. There may be found remaining over from its final session only a few specific problems—for example, financial safeguards of such nature that they might appropriately be the subject of informal discussions in London with a few individuals whose personal experiences qualify them to speak with authority upon them. If this hope is fulfilled, their intention would be after such informal discussions to pass straight to Parliamentary stage on the following lines :

"His Majesty's Government consider that the final stage of consultation with Indian opinion can usefully take place only on definite proposals. They, therefore, propose to invite both Houses of Parliament to set up a Joint Select Committee to

consider their definite proposals for revision of the constitution and to give the Committees powers to confer with representatives of Indian opinion and it is their intention in the belief that this course will commend itself to Indian opinion to invite Parliament to set up the Joint Select Committee before introduction of a Bill. It has been the intention of successive Governments that a Select Joint Committee of both Houses of Parliament should be called upon at some stage to examine the proposals for constitutional reform. His Majesty's Government hope that by their present decision to recommend that this important task shall be performed before any bill is introduced, they facilitate Indian co-operation and ensure its effective influence in what is probably the most important stage in the shaping of constitutional reforms and at a time before irrevocable decisions have been reached by Parliament.

"The programme I have indicated is based on the hope that enquiry by the Joint Select Committee may follow as the next formal stage after the conclusion of the Consultative Committee's business. But it may be that the course of discussions in the Consultative Committee may prove that matters will not be ripe for formulating definite proposals for the consideration of a Joint Select Committee without further consultation of a more formal character. In that event, at the cost of delaying their programme, His Majesty's Government will make arrangements accordingly, but they would regard it as essential unless the objects they have in view are to be frustrated, that the size and the personnel of the body to be summoned for such further discussions in London should be strictly determined with reference to the number and character of the subjects found to require further discussion. By a procedure formed on these lines, His Majesty's Government hope to ensure both rapid progress towards the objective in view and continuance of co-operation between British and Indian representatives on the one hand and between the three British parties on the other upon which so much of the success of the constitutional changes must inevitably depend."

Sir Samuel Hoare's Broadcast Speech

"Though Dogs Bark Caravan Passes on"

The following is the text of the Broadcast Speech on India, delivered by Sir Samuel Hoare in the House of Commons on the 28th. January :—

"It is now some weeks since the Round Table Conference ended and the time has come to take stock of the present position in India. I think that I can summarise it in a single sentence.

"We have been proceeding full speed ahead with the work of the Conference, that is to say, we have sent out to India three Committees that, within a few days from now, will be discussing on the spot certain important questions that we left unsettled in the autumn. We have at the same time been compelled to take drastic action against a section of the population that is determined to torpedo the work of the Conference and to smash the Government machine.

"The present Viceroy Lord Willingdon and the former Viceroy Lord Irwin, have during the last two days commented upon this double duty that faced the Government. We have all been delighted to note that there is no difference of opinion between them. Each says that it was essential for the Government to push on the work of the Conference, each equally maintains that it was no less vital for the Government to safeguard the forces of law and order.

"Lord Irwin rightly commands the respect of all high-minded men and women over the world. As Secretary of State for India I am indeed glad to find that his cautious, sympathetic and impartial mind has reached the same conclusions as Lord Willingdon and myself. We are all three agreed that the action that we have taken was as necessary for the furtherance of constitutional progress as it was for the prevention of anarchy.

"As to the day to day happenings in India you have had full opportunity for forming your own judgment. There has been no censorship whatever of responsible foreign correspondents. The British press has been free to publish what it likes and no attempts have been made to take the news or to hide unpleasant facts.

"You have read about the Red Shirts movement on the North-West Frontier, the no-rent campaign in the United Provinces, picketing in Bombay and terrorism in Bengal and I believe that you will agree with me when I claim that the severe measures that we were forced to impose in face of these threats to the civilised world are with common sense, with moderation and with impartiality.

"Every effort is being made to interfere as little as possible with the normal life of peaceful citizens. The law is being impartially administered. Europeans as well as Indians are subjected to the restrictions.

"The information that I am receiving from India goes to show that the large body of law abiding people, Indians and Europeans alike, regard them much as we regarded restrictions during the war. They realise that they are necessary in their own interests, and so far from complaining of them they are in many instances relying upon them with undisguised relief.

"The fact is that the great majority of men and women in India are heartily tired of political upheavals. They do not want revolution, they do not even want political agitation. They want to get on with their own jobs in their own way and with as little interference as possible.

"These people are genuinely relieved that the Government is suppressing the agitation that has so much disturbed ordinary life during the last few years.

"Day by day I receive reports, not only from the Central Government at Delhi but from the Provincial Governments as well. The last batch that I have received confirms the earlier reports. The extremists' movement is much less active than might have been expected, there is a general absence of trouble in the rural areas except in the North-West Frontier Province, and even in this Province the Red Shirts movement seems to be thoroughly shaken.

"In Bombay and Ahmedabad, the two centres of picketing, the support behind Congress seems to be faltering. In the United Provinces, the centre of the no-rent campaign, the situation is settling down, rents and revenue are steadily coming in, and country life is resuming its normal course. This is the present state of affairs almost in the actual words of the reports that I am receiving. Though the situation is up to the present satisfactory, it is no cause for wonder that some people criticise our action.

"None of us like repressive action, and we British who above all other peoples have respected the liberty of the subject, look suspiciously at any act or policy that may appear to go beyond our instinctive connection of freedom and fair play.

"In the present instance, what criticism there has been, seems to be concentrated upon two points. It is said, in the first place, that we have been guilty of a breach of faith that having persuaded Mr. Gandhi to come to the Round Table Conference we arrested him directly he got back to India, and that we have in this way broken up the road of co-operation.

"It is said, in the second place, that we have destroyed the foundations of goodwill laid with great care by Lord Irwin, and that we have by a sudden reversal of policy set back the clock of Indian progress by many years. I maintain that there is no justification for either of these criticisms.

"There has been no breach of faith on the part of the British Government. I am certain that Mr. Gandhi would make no such charge. Mr. Gandhi and I often met during the autumn, and we each told the other our position in the frankest and most unreserved manner. I told Mr. Gandhi exactly what I thought could or could not be done in the way of constitutional progress, and I said that it was for him to decide whether or not he and his friends could co-operate with us on the lines that were laid down in the debate in both Houses of Parliament. He said that he fully understood the position and that he would have to think carefully over his own attitude towards it.

"There are stories that I gave him further undertakings, and I promised to write to him a letter which I never wrote. These rumours are without foundation. I gave him no such undertaking. After he had left England he wrote to me about the work of one of our Indian Committees, the Consultative Committee and asked me to send him a reply. I willingly acceded to his request and my letter should have reached him on his return home.

"The British Government showed itself ready to co-operate to the full on certain lines, the lines set out in the Government White Paper and in the Parliamentary debate. If co-operation has broken down with a single section of Indians the fault is not due to any breach of faith but to the fact that irreconcilable extremists have got hold of the Congress machine.

"So also, in the matter of Government policy. Lord Irwin's speech yesterday has completely disposed of this charge. He has told us that if he had still been Viceroy, he does not suppose that he would have acted very differently from Lord Willingdon. If any further evidence is needed to rebut this charge, it can be found in the fact that within a few weeks of the Round Table Conference a number of distinguished British public men will be discussing a number of important constitutional questions and continuing the work of the Round Table Conference on exactly the lines that the Indians on the Conference desired and that they will have as the colleagues some of the most representative Indian public men.

"It is true that the so-called Pact with Congress has come to an end. This is not our fault. We went to the furthest possible limits, some would say that we went beyond these limits, in trying to keep the pace with Congress and to make co-operation possible. The smashing of the Pact is due to Congress and to Congress alone. From the very start many of the Congress leaders use the pact not as an opportunity for peace but as a screen behind which they could prepare a renewal of war.

"Whilst Mr. Gandhi was in England these men had already started the war. From the north to the south they had already begun a relentless attack upon the very foundations of the law and order. No self-respecting Government could have failed to accept this challenge to its authority, least of all when it was made by a single section of the Indian population. Congress has too long arrogated to itself the claim to represent all India.

"The Aga Khan, speaking for the great Moslem community, and Dr. Ambedkar, the champion of the untouchables, smashed this claim to pieces when Mr. Gandhi made it at the Round Table Conference. It was symptomatic that a riot greeted Mr. Gandhi's return, not a riot against the British Raj, but a demonstration of the untouchables against an arrogant Congress. If there is one lesson, that has been more clear than any other during the last six months, it is that scores of millions of Indians repudiated altogether the claim of Congress to represent them. That being so, it is more than even necessary, for the Government to go on its way undeterred by any sectional agitation.

"We are ready to co-operate with all or any who will work with us upon the lines that have been laid down. Upon these lines we shall go straight forward and we shall not be deviated from our course by evil forebodings or by mischievous hearts. Our policy is simple, straight-forward and sympathetic. It is a policy of progress, combined with firmness. Patiently, consistently, unremittingly we shall proceed to carry it out.

"These years of trial have made us know our friends. We shall stand by them, whether they be the Indians who are determined to keep India an integral part of the British Empire or whether they be that splendid band of British officials who are facing the dastardly attacks of the terrorists and the overwhelming responsibility of difficult duties.

"As for the threats I will answer them in the words of the Eastern proverb **"though the dogs bark, the caravan passes on."**

THE GANDHI-HOARE CORRESPONDENCE

Following Sir Samuel Hoare's reference in his London Broadcast Speech to the Air Mail correspondence between him and Gandhiji referred to above, Pandit Malaviya released the full text of the correspondence, and in doing so stated : "It is necessary in public interests that the whole truth about the matter should be known." Pandit Malaviya added that Gandhiji decided not to further co-operate if the Premier's declaration and Sir Samuel Hoare's speech in Parliament constituted the last words on Safeguards and Reservations.

GANDHIJI'S LETTER TO SIR S. HOARE

Following Gandhiji's interview with the Secretary of State before he left, Gandhiji wrote from Villeneuve on the 7th. December 1931 as follows :

Dear Sir Samuel,—I am reducing in writing the gist of our last conversation. You were good enough to say that neither the Prime Minister's declaration nor your speech in the House of Commons were the last word on Safeguards or Reservations, and that it would be open to any member of the proposed Working Committee to suggest amendments or the removal of any of them as also to press forward the important investigation of the financial transaction to be taken over by the National Government. You also said that whatever you would be sending to the Working Committee for consideration would not be merely formal, but that the Working Committee's recommendations would receive the greatest consideration from His Majesty's Government. If this is the correct impression, I would like you, if you don't mind, to confirm it by Air Mail. My address in India would be Ahmedabad.

Yours sincerely,
(Sd.) M. K. Gandhi

SIR SAMUEL HOARE'S REPLY

Sir Samuel Hoare's reply, dated the 16th December 1931, was as follows:—

Dear Mr. Gandhi,—I am replying to your letter of the 7th December from Villeneuve. First of all, as to your last point, the procedure of conference and constitution is in the forefront of our policy. The Prime Minister and I and Lord Hailsham made it sufficiently clear, I think, in our speeches. The Working Committee is an essential feature of this procedure in the next stage. Its proceedings, therefore, far from being purely formal, will necessarily receive from His Majesty's Government the fullest consideration. Within the usual limits of order, it will be open to any member of the Committee to raise any question which he thinks is relevant to and is likely to further the plans the Conference has in view.

As regards Reservations and Safeguards, the Prime Minister and I have stated the substance of what, after the most serious consideration, we regard as necessary. We have also given an indication of what we should consider the appropriate means of securing these requirements. Much will, of course, depend upon the precise terms in which they are translated in the statutory provisions. If the Working Committee can make suggestions which will satisfy the Government and which we can commend to both the Houses of Parliament, as effectively providing for what is required, and is at the same time more acceptable to Indian opinion, we would of course hope to find no difficulty in carrying into effect the Committee's view. I think that this confirms your impression of our conversation, but I have preferred to put it in my own words.

Yours sincerely,
(Sd.) Samuel Hoare.

PANDIT MALAVIYA'S COMMENTS

Commenting on the correspondence Pandit Malaviya said:—

"The correspondence makes clear (1) that Gandhiji did desire to co-operate in the future work of the Conference and therefore sought to clear what he felt might stand in the way of his doing so, and (2) that Sir Samuel Hoare did assure Gandhiji that the obstacle which he apprehended in the way of that co-operation did not exist. It were unbelievable, if it were not true, that the Secretary of State who had written the letter quoted above, should have permitted the Viceroy to refuse an interview to Gandhiji which he sought to smoothen the path of co-operation and furthermore that he should have sanctioned the arrest and imprisonment of Gandhiji two days after the receipt of such a letter. Little does Sir Samuel Hoare realise what damage he has done to the reputation of British statesmen by the course he has adopted in this sorry affair.

"Sir Samuel claimed that the severe measures the Government had imposed had been carried out with commonsense, moderation and impartiality. Taking only one province, by way of example, the report of the terrible and cruel oppression practised in the Frontier Province, which has been published after a personal inquiry on the spot by Father Elwyn, a distinguished Oxford Don, shows how utterly opposed to truth the statement of the Secretary of State for India is."

Hoare's Address to English Pressmen

Addressing a group of English pressmen at the India Office on the 14th January 1932 Sir Samuel Hoare, Secretary of State for India, said that two or three happenings in the last few days seemed to him to illustrate in very conspicuous manner one or other of the feature of our relations with the Indian Empire. First of all they had come to the end of the Burma Conference. It was a very interesting and a very useful Conference. There they had the representatives of the Burma population and of the various minority communities in Burma, and at the end of it they were able, as a Government, to make a statement which, in their view, would give Burma an opportunity for full development upon their own lines and give them a better chance for that development than they would have if they remained part of the Indian Empire. The Burmans had that day gone back to Burma and it was for them to say whether they preferred a constitution such as was outlined two days ago or whether they preferred to remain a part of India for administrative purposes. He would be very much surprised if, when they considered in detail the offer made to them, they did not welcome it and did not realise the fact that they would obtain a far wider field for development upon their own lines than they would have if they remained a part of the Indian administration.

The second event was the opening of the Lloyd Barrage on the previous day—one of the greatest works of irrigation that had ever been undertaken and completed in the history of the world.

Lastly, there was the departure that afternoon of the British personnel of the Committee to work in India. The send-off seemed to him to be a good augury for the work of the Committees. Several of the members were young and it was a good thing to get new minds at work upon what, after all, were new problems. It was those young men upon whom the main responsibility would fall in the future for carrying into completion the work that they were now beginning. Again, upon the whole, the members of the Committees, with certain distinguished exceptions, had no long previous expert knowledge of Indian questions. The Government had been anxious to have new minds brought to bear upon the Indian problem, with the hope that from those new minds new ideas would emerge. It was a matter of great satisfaction that the distinguished Indians who had been invited to serve upon the Committees had practically without exception accepted the invitation. They had hoped to have upon the Committees direct representatives of Congress, but in the nature of things the places reserved for them must now remain empty.

It might be thought incongruous, Sir Samuel Hoare continued, that, at the very moment when they were embarking upon a new chapter of co-operation between this country and India, they should be enforcing severe and rigid administrative measures in India. But so far from that action being incongruous it was inevitable. Without law and order there could be no constitutional advance. Nor could they remain simply enforcing law and order without thinking at all of the future. It was therefore essential that the two sides of the programme should advance simultaneously. On the one hand, the maintenance of the prestige of the Government and the enforcement of law and order and the avoidance for any thing in the nature of anarchy and disorder; on the other hand the constitutional advance on the lines of All-India Federation.

He need not say that so far as he was concerned he was sorry that action of that kind was inevitable. He also spoke at the end of the Conference that they were going to get away from what he had always regarded as completely out-of-date methods of non-co-operation and war and that they were embarking upon a new chapter of goodwill and co-operation. He had hoped that Mr. Gandhi when he returned to India would have exercised a moderating influence and would have made it possible to embark at once upon this new chapter without the necessity of any drastic measures. Mr. Gandhi and he had many talks during Mr. Gandhi's visit to London. At the end of those interviews he had hoped that when Mr. Gandhi got back to India he would have been able to exercise a moderating influence upon the Congress machine. Unfortunately, so far as he could judge, the extremists had got hold of Mr. Gandhi's machine and had forced it so far that whether he wished it or not it was impossible to stop it. In the North-West Frontier Province, for instance, just before Mr. Gandhi returned,

Abdul Gaffar Khan, the leader of the Red Shirt movement, a movement in close contact and alliance with Congress, had thrown down such a challenge to the Government of India that if the Government had not taken it up it might just as well have abdicated.

Referring to the "no-rent" campaign in the United Provinces, Sir Samuel Hoare said that the Government had done everything possible to meet legitimate grievances. The able and sympathetic Governor, Sir Malcolm Hailey, had set up an impartial inquiry into agricultural grievances and as a result of his action and the report of this committee great remissions were made both in the land revenue and in the rents that the cultivators were paying. The rents, to give one instance, were actually reduced to the figure at which they were 30 years ago. Yet in spite of the fact that there was much evidence that the people, if left to themselves, did not wish to embark upon a revolutionary movement against the Government. Congress went on with its extreme agitation, with the result that there again they had had to act if Government was not going to abdicate. Lastly, in Bengal the terrorist movement had reached such a point that lives were everywhere in danger, trade and commerce and industry were becoming impossible, threats were being made against the machine of Governments which, if they had been carried out, would have destroyed it.

Faced with that situation the Government took the only action that any self-respecting Government could take, and took it drastically and all at once. He suggested that it was much wiser, much safer, and indeed much more humane not to act in small stages, but rather to take the situation in hand as a whole. He was inclined to think that they would see that by taking action over a wide front and with a firm hand the time that those emergency operations would have to remain in existence would be shorter than it would have been if they had acted in a series of long drawn-out stages.

Sir Samuel went on to say that in the Frontier Province, upon the whole, law and order were being maintained remarkably well. Members of the Red Shirt movement had come in and had given up their red shirts and had stated that they thought they had made a great mistake in joining the movement. In the United Provinces rents were coming in better than they had come in for many months, and a significant fact was that the local fairs that played a very prominent part in rural life were being much better attended than for a long time. In Bengal there seemed also to be reviving a greater confidence in trade and commerce and industry.

In conclusion, Sir Samuel Hoare said that on the one hand, they had the beginning of a new chapter in the constitutional side of the picture with the departure of the Committees that morning. On the other hand, measures were undertaken to ensure law and order, to prevent anything in the nature of anarchy or a break-up of the Government machine. He hoped that their Indian friends would see these two phases of our policy in their right perspective—that the one was complementary of the other. He hoped they would realize that they had within their reach a Constitution that a few years ago they would have regarded as unattainable for a long number of years. They would see that Government was determined to govern, and he hoped that they would like them the better for that fact. In the East, in particular, Governments had been respected, not for weakness or abdication, but for their will and their power to govern. He had not meant that having imposed these emergency measures, they wished to keep them in operation for a day or an hour longer than they were needed. As long as an attempt was being made to break up the machine of Government, the ordinances would remain in operation. But let these threats and these attacks be removed and sympathy and co-operation take their places, and the British Government would not be slow to respond to the new spirit.

They were glad in the autumn to have had what they believed to be a fully representative Conference, and here he wished to pay a tribute to Lord Irwin for having devoted so much of his ability to make that Conference representative. If now there might be any empty chairs, he hoped that at some time those chairs would once again be filled and that all of them, to whatever sections of opinion they belonged, either in Great Britain or in India, might co-operate in the great and difficult task before them.

INDIANS IN SOUTH AFRICA

THE CAPE TOWN AGREEMENT

The terms of the Agreement arrived at between the South African Union Government and the Government of India as the result of the Cape Town Conference, were read out by Sir Fazli-Hussain in the Council of State and by Mr. G. S. Bajpai in the Legislative Assembly on the 5th. April 1932. The following is the text of the statement :

"In accordance with paragraph 7 of the Cape Town Agreement of 1927, the delegates of the Government of the Union of South Africa and of the Government of India met at Cape Town from January 12th to February 4th, 1932, to consider the working of the Agreement and to exchange views as to any modifications that experience might suggest. The delegates had a full and frank discussion in the conference, which was throughout marked by a spirit of cordiality and mutual goodwill.

2. Both the Governments consider that the Cape Town Agreement has been a powerful influence in fostering friendly relations between them, and that they should continue to co-operate in the common object of harmonising their respective interests in regard to Indians resident in the Union.

3. It was recognised that the possibilities of the Union scheme of assisted emigration to India are now practically exhausted owing to the economic and climatic conditions of India as well as owing to the fact that 80 per cent of the Indian population of the Union are now South African born. As a consequence, the possibilities of land settlement outside India, as already contemplated in paragraph 3 of the Agreement, have been further considered. The Government of India will co-operate with the Government of the Union in exploring the possibilities of a Colonisation Scheme for settling Indians both from India and from South Africa in other countries. In this investigation, which should take place during the course of the present year, a representative of the Indian community in South Africa will, if they so desire, be associated. As soon as investigation has been completed, the two Governments will consider result of the inquiry.

4. No other modification of the Agreement is, for the present, considered necessary.

5. Before passing on to the Transvaal Asiatic Tenure (Amendment) Bill, the Hon. members would perhaps like me to comment on the more important points in the settlement which I have just announced.

(1) The recognition by the two Governments of the need of continued co-operation in the common object of harmonising their respective interests, in regard to Indians resident in the Union, justifies the hope that friendly relations between South Africa and India, which are of such vital importance to the Indian community in the Union, will continue.

(2) It had become increasingly evident, for sometime before the Conference met at Cape Town that Indian opinion, both in South Africa and in India, had become unfavourable to the scheme of assisted emigration to India. This was due to no shortcoming on the part of either Government, but primarily to climatic and economic causes, and to the fact that 80 per cent of the Indian population of South Africa were born in the Union. The recognition by the Union Government, that the possibilities of this scheme are now practically exhausted, should be received with considerable relief by Indian opinion on both sides of the Ocean.

LAND SETTLEMENT SCHEME

(3) The proposal that the possibilities of land settlement outside India should be examined, merely carries out an integral part of the 1927 Agreement. It may be welcomed on two grounds :

(a) If it results in a satisfactory scheme of land settlement, it may provide an outlet, especially to the younger generation of Indians in South Africa, in a country where they may have greater opportunities both for economic development and for political self-expression.

(b) The association of a representative of the South African Congress in the investigation, will not only be a valuable safeguard for the inquiry, but constitutes an experiment in collaboration between the Government and the Indian community in South Africa which, it is hoped, will be extended to other fields.

(4) The Agreement stands unmodified except as regards the scheme of assisted emigration to India and the proposed exploration of the possibilities of land settlement elsewhere. This means, to mention only two points out of the last Agreement, that the Government of the Union continue to adhere to the policy of uplifting the permanent section of their Indian population, and that the Government of India will continue to maintain in South Africa an Agent whose presence has admittedly proved most helpful, alike to the Indian community in South Africa and to the promotion of friendship between the two countries.

TRANSVAAL ASIATIC TENURE BILL.

6. I shall now endeavour to deal with the Transvaal Asiatic Tenure (Amendment) Bill. The Conference decided that it should be considered by a Sub-Committee consisting of two representatives of each delegation. After the discussion in the Sub-Committee, Dr. Malan, who was one of the Union representatives, agreed to place informally before the members of the Select Committee which had prepared the Bill, the suggestions of the delegates from India. The results of this consultation may be summarised as follows :—

(1) Clause 5 of the Bill which embodied the principle of segregation by providing for occupation or ownership of land by Asiatics, has been deleted. Instead, the Gold Law is to be amended to empower the Minister of the Interior, after consultation with the Minister of Mines, to withdraw any land from the operation of Sections 130 and 131 in so far as they prohibit residence upon or occupation of any land by coloured persons. This power will be exercised, after inquiry into individual cases, by an impartial commission presided over by a judge to validate the present illegal occupations and to permit exceptions to be made in future from occupational restrictions of the Gold Law. It is hoped that liberal use will be made of this new provision of the law, so as to prevent substantial dislocation of Indian business, which the strict application of the existing restrictions would involve and to provide Indians in future with reasonable facilities to trade in the mining areas without segregation.

(2) The Bill has also been amended so as to protect fixed property acquired by Asiatic companies up to the 1st March 1930, which are not protected by Section 2 of Act 37 of 1919. This will have the effect of saving many Indian properties which, though not acquired in contravention of the letter of Act of 1919, were acquired contrary to its spirit.

(3) Local bodies whom Clause 10 of the Bill requires to refuse certificates of fitness to an Asiatic to trade, on the ground that the applicant may not lawfully carry on business on the premises for which licence is sought, shall have to treat a certificate issued by a competent Government officer, to the effect, that any land has been withdrawn from the restrictive provisions of Sections 130 and 131 of the Gold Law, as sufficient proof that a coloured person may lawfully trade on such land. As it is proposed to maintain hereafter a register of all lands in the proclaimed areas where Asiatic occupation is permitted, such a provision should prove a valuable safeguard to the Indian community.

7. As against these important concessions, it has to be recognised, that the recommendation of the Indian Delegation, that areas like springs and other proclaimed land, to which the restrictions of Clauses 130 and 131 do not at present apply, should not be made subject to them, and that leases for ten years or more should not be treated as fixed property, have not been accepted. On the balance however the amendments which, subject to ratification by the Union Parliament, have been made in the Bill, represent a substantial advance on the original Bill.

8. I must apologise to the House for the length of the statement. I have endeavoured to make it as brief as is compatible with clarity. The Government had hoped that it would be possible to make an announcement earlier, but this was found impossible as the results of the Conference have to be published in both the countries simultaneously and the Union Parliament reassembles only to-day after the Easter recess. The Government trust, however, that keeping in view the difficulties inherent in the problem and after a consideration of the statement which has been made to-day the Hon'ble Members will feel satisfied with the results achieved.

Mr. Andrews' Views

In connection with the Cape Town Agreement, Mr. C. F. Andrews issued the following statement from New Delhi, dated the 5th, April 1932 :—

The new Agreement between the two Governments is on the whole satisfactory. Sir Fazl-i-Hussain and the members of the deputation are to be heartily congratulated on their achievement. But it must not be thought, for a moment, that the conditions under which Indians live in South Africa are free from injustice and humiliation. These have still to be removed and such a change can only be slowly accomplished.

In political matters, the colour bar remains absolutely rigid. Outside the Cape Province, Indians have no franchise, nor is there any hope in the near future that franchise will be extended to them. Therefore, everything depends on the Agent from India. It is a great point in the Agreement that the Agency is to be continued. On the choice of a new Agent the future of South African Indians will greatly depend. He is to-day undoubtedly "the most powerful influence in fostering friendly relations."

Perhaps, the chief gain in the new Agreement has been the frank acknowledgment by both the Governments that repatriation has proved a failure. This really means its death-blow. Here, the unanimous voice of India has prevailed. That other countries are to be explored with a view to colonisation need not arouse fear or alarm. The country specially contemplated is Brazil, and its exploration was fully approved by the South African Indian Congress. An outlet is badly needed for the rising educated generation, which is cramped by the "White Labour policy." As the barriers remain, preventing the Indians in Natal from migrating freely to the other provinces of South Africa, the congestion of population round Durban will continue. If Brazil is able to afford an outlet, it should certainly be explored. The Japanese Government have already undertaken land settlement there on a large scale with highly successful results. Even though the present moment may be unpropitious owing to the world economic depression, yet the future is with Brazil. It has a favourable climate, a good rainfall and a very fertile soil and no colour prejudice whatever.

With regard to the Land Tenure Bill, it appears to me that the complete withdrawal of Clause V has now definitely prevented segregation. This is the thing we aimed at all along. Furthermore, we have obtained other substantial gains, such as protection of property right up to May 1932, and the prevention of trade licences falling into the hands of municipalities. This was the immediate danger and it has now been forestalled. At the same time, it is a loss that when mining areas are re-proclaimed so as to pass back into ordinary lands, the old evil of racial disabilities should continue. While this will not severely hurt Indian traders who usually seek mining areas for trade, yet it is an extension of colour bar which should call for a strong protest from the Indian Government. It is also very regrettable that nothing has been done in the Agreement to restore to their full value, the Transvaal registration certificates.

Beyond these immediate gains and losses, there has come about in South Africa, owing chiefly to the status of the Agent, a relaxation in social matters from some of the worst forms of colour prejudice against Indians at Cape Town. During the conference it was quite noticeable that friendly relations between Indians and Europeans had advanced. If the new Agent can carry this still further forward, he will have accomplished one of the most important works which yet needs to be done in South Africa.

The Citizenship Association's Representation

The Honorary Secretary, the Imperial Indian Citizenship Association, Bombay, sent the following communication to the Secretary, Government of India, Department of Education, Health and Lands, on the Cape Town Agreement :—

"The Secretary of the Education Department, Mr. G. S. Bajpai, announced on the 5th April in the Legislative Assembly the main heads of the agreement arrived at as a result of the recent conference in Cape Town between the delegation sent by the Government of India headed by the Hon. Sir Fazl-i-Hussain and the representatives of the South African Union Government. Sir Fazl-i-Hussain and his colleagues, with Sir Kurma Reddi, the late Agent in South Africa, were good enough

to attend an informal meeting of the Council of the Imperial Indian Citizenship Association on the day of their arrival in Bombay, but unfortunately they could not spare time for full discussion that day. The Council, however, later has had the advantage of having a full statement of the circumstances in which the agreement was reached, from Mrs. Naidu, one of the Indian delegates, who is also one of its members.

The Agreement refers to two main questions namely, the future of Indians in South Africa and their position in the Transvaal province. In this letter the Council confines itself to the first and larger issue. The recent conference was held in pursuance of the intention expressed at the time of the 1927 conference to review the working of the agreement and to suggest any modification that may be called for in the light of the experience gained in the preceding five years. The agreement of 1927, while laying down that the Indian population of South Africa was a permanent part of the population and was entitled to receive the same consideration as other sections from the Union Government, recommended that Indians incapable of assimilating the Western standard of life—which was recognised to be the proper one for South Africa—should be helped to return to India. The clause on this question ran as follows :

"Both the Governments re-affirm their recognition of the right of South Africa to use all just and legitimate means for the maintenance of the Western standard of life.

"The Union Government recognises that Indians domiciled in the Union who are prepared to conform to Western Standard of life, should be enabled to do so.

"For those Indians in the Union who may desire to avail themselves of it, the Union Government will organise a scheme of assisted emigration to India or other countries where Western standards are not required."

The above is taken from the statement of the Secretary to the Government of India, Mr. (now Sir Joseph) Bhore, made in the Legislative Assembly on the 21st February 1927.

With the object of facilitating repatriation a plan of "assisted emigration" was formulated which, it is now recognised, has failed. The 10,000 persons who took advantage of the plan and returned to this country, have not found it feasible to readjust themselves to Indian life after their long residence under entirely different conditions in South Africa. The Council notes with satisfaction that this plan has been abandoned in the new agreement.

In the opinion of the Council the failure of the Repatriation Scheme is conclusive proof that the great body of the Indians in South Africa is a permanent element of the population of that country, and that the means of its uplift must be the same as those found suitable and necessary in the case of other sections of the population. The Council is sure that the Indian delegation must have been moved by weighty considerations outside the simple merits of the case in undertaking to recommend that the Government of India jointly with the Government of the Union of South Africa, should appoint a Committee to explore the possibilities of lands other than India as an outlet for Indians in the Home country as well as in South Africa.

The Council is aware that in the first Cape Town Agreement the alternative of emigration to other lands as a way of relieving South Africa of such Indians as were unable to adopt the Western standard of life, has been suggested. But it was not taken seriously even by the Government of the Union of South Africa, who did nothing to implement it during the last five years. Mahatma Gandhi, however, put his finger on it at that very time and warned the country of the dangers lurking therein. He wrote :—

"Repatriation could only be to India. Re-emigration can be to any country. The following sentence in the settlement clearly points to that interpretation. 'The Union Government therefore, will organise a scheme of assisted emigration to India and other countries where Western standards are not required.' This assisted emigration to other countries, I hold to be dangerous, for there is no knowing what may happen to the poor ignorant men going to an unknown land where they would be utter strangers. Such countries as would take them would only be either Fizi or British Guiana. Neither has a good name in India. It is decidedly a disadvantage to have been a party to assisted emigration to any other part of the world."

The Council cannot help thinking that Mahatmaji's observations have as much force to-day as five years ago.

The Council appreciates the patriotic work of the Indian delegation under the leadership of the Hon. Sir Fazl-i-Hussain confronted as it was with inherent difficulties of the Indian problem, which notwithstanding signs of an improved racial attitude towards Indians noticed by the delegation, seem rather to have become aggravated in the political sphere. It is, however, given to understand that the arrangement arrived at with the Government of the Union of South Africa in connection with the proposal to explore the possibilities of Indian Colonisation in lands other than India, does not commit either party to anything beyond exploration. It further understands that the Indian Congress in South Africa agreed in the spirit of pioneering to this exploration and has consented to send a representative to work on the Commission of enquiry, when it is set up, on the condition that they are generally satisfied with the rest of the agreement. Bearing these two factors in mind, the Council of the Association does not wish to strike a jarring note at this stage, but it considers its duty to place on record its strong conviction that, should the exploration which is to take place as a result of the Conference lead to nothing feasible, the fact that the Indian Delegation agreed to it should not prejudice in the slightest degree, directly or indirectly, the inherent rights of the South African Indians to citizenship in the land which to 80 per cent of the population is the land of their birth as recognised by the agreement of 1927 and re-affirmed by the 1932 Cape Town Conference. If this is made unequivocally clear to the South African Government, the Council of this Association would await with interest the result of the mission to explore the possibilities of Indian Colonisation in other lands.

Mr. Andrews' Survey of Indian Disabilities

A survey of the condition of Indians in several parts of South Africa was issued in a statement which Mr. C. F. Andrews supplied to the Associated Press after his recent tour there. It was issued from New Delhi, dated the 24th. March 1932. Mr. Andrews said :—

During the past few months I have been able to visit very nearly all sections of the Indian community in South Africa as well as those residing on the eastern coast at the different ports. The steamer by which I have travelled stopped at Lourenço Marques, Beira, Dar-es-Salam, Zanzibar and Mombasa, and in all these ports there is a large resident Indian population.

LAND TENURE BILL.

In South Africa the burning question of the day has been the Land Tenure Bill of the Transvaal, which threatened once more a modified form of segregation under the new name of 'defined areas' in contra-distinction from the last Bill which was called the 'Asiatic Class Areas Bill'. Though this Land Tenure Bill affects only the Transvaal portion of the Indian community, the Indians in Natal, who form five sixths of the whole Indian population in South Africa, are naturally afraid that if such a measure of segregation becomes law in the Transvaal, it is bound, sooner or later, to spread to Natal.

Whether the Indian delegation to the Round Table Conference at Cape Town had been finally able to avert this disaster I am not able to say for certain at the time of writing; for I had not yet been able to see the Agreement which was made between the two Governments and I am also unaware of the details concerning other matters, agreed upon verbally, which were not embodied in the Agreement itself. I hope however that this Land Tenure Bill may once again be postponed and put on the shelf, pending further inquiries into the whole question of Indian land holdings in the Transvaal and the manner of their acquisition. I have some expectation that the present session of the Union Parliament will be so much absorbed by other and more pressing business—what with the prevailing economic depression and the abnormal interest aroused by the Government clinging to the Gold Standard which had recently formed the subject of prolonged debates,—that they may very well postpone the consideration of the comparatively trivial and yet controversial measure dealing with the Transvaal Land Tenure Bill.

I have distinct hope that the Government will decide to leave this matter in abeyance and appoint a new Commission of Inquiry for further investigation and report. I was particularly struck by the fact that there was very little excitement or agitation among the Europeans over this Bill both on this and on my previous visit

a year ago. The explanation seems to be that, in the midst of universal economic depression and the distraction caused by other more important matters, this small question of Indian land ownership in the Transvaal has receded to the back-ground. During the whole time that I was living in the Transvaal I very rarely heard it mentioned. The atmosphere in 1931-32 was very different from that of 1925-26 when the anti-Asiatic agitation was at its height.

PROGRESS IN NATAL

I am glad to be able to record the fact that almost phenomenal progress seems to have been made in the last few years in Natal in the field of education. For this reason, when I look back it is clear to me that my stay in Natal has been by far the happiest of all; for I could see 'progress' written on the faces of the young boys and girls of the Indian community. In the Sastri College, for instance, there were as many as 238 advanced students, and all this naturally augurs very well for the future of the Indian community in South Africa. At the same time, it must not be forgotten that every single disability imposed upon the Indians under the obnoxious colour bar still remains unredressed. The social segregation is, if anything, more rigid than before and its operation is so demoralising and dehumanising that sensitive and susceptible natures must find life unbearable at times.

PORTUGUESE EAST AFRICA

At Lourenco Marques I found the Indian community profoundly unhappy and disturbed over certain impending legislation which lays it down that 75 per cent. of assistants employed by traders and merchants in future shall be Portuguese subjects. One redeeming feature in the situation is that the big British business concerns in Portuguese East Africa are ranged on the side of the Indians in protesting against this measure. They too would stand to suffer equally with the Indians if this contemplated legislation were enforced. It is merely an example of 'adversity making strange bed-fellows.' In Beira, which is also in Portuguese territory, the dread of this impending legislation was not so acute. The reason is that Beira is administered by a chartered company and has its own laws and regulations, and it is not at all the case that any legislation passed in Lourenco Marques will automatically be adopted in Beira.

NEW ORDINANCES IN TANGANYIKA

When I reached Dar-es-Salaam there were two ordinances already passed into law which have caused the greatest alarm to the Indian community. One of these levies an arbitrary poll-tax and the other empowers the Government to grant monopoly licenses to individuals and firms for the exclusive right of purchasing native grown produce such as coffee, maize, groundnuts, cotton, etc., I have fully dealt with these ordinances in my last letter to the press and would only repeat here that they are calculated to do the greatest possible injury to Indian interests in Tanganyika.

PERFECT GOODWILL IN ZANZIBAR

In refreshing contrast to the tale of woe which filled my ears at all the South and East African ports which I had visited, I found the Indian community in Zanzibar comparatively happy, prosperous and contented. They have no unemployment and kindred problems to face in Zanzibar, and their insular position seems somehow to have weaned them from the shock of the present world-wide economic depression. After the colour prejudice and nauseating racial animosities and bickerings which one is compelled to notice where one goes on the south and east coast of Africa, it was indeed very gratifying to me to find that in this little island town of Zanzibar, under the enlightened administration of its Sultan, people of all races and religions lived in perfect peace, goodwill and harmony. One felt as though one had suddenly come upon, chanced upon, an oasis after long traversing through a tiresome and blighted sandy desert.

FUTURE OF COMMON ROLL

Last of all I reached Mombasa and here I found that the different commissions of inquiry had left all kinds of unsolved problems behind them, and that the Indian community was in great uncertainty in regard to its own future. At one time it seemed almost certain that a common electoral roll would be instituted in Kenya in

accordance with the recommendations of more than one Royal Commission. But, as I have pointed out in my previous article, the permanent officials at the Colonial Office have so far yielded again and again to the veiled and open threats made from time to time by the European settlers in Kenya, and no definite action has so far been taken in this connection. The Indian community has been confused and even divided by the different political questions which have arisen in the train of these Royal Commissions, and, in addition to this, there have been personal rivalries which have considerably added to the confusion.

As in South Africa, the Indians in Kenya are also taking full advantage of the few educational facilities so meagrely granted to them by the Government. (The Kenya Government spend on the education of European children, *per capita*, more than four times as much money as they do on that of Indian children. In Natal the European child costs three times as much as an Indian.). I visited the Indian schools in Mombasa and was much impressed by the tidy and neat appearance and evident enthusiasm of Indian boys and girls who are studying, in great numbers, up to the highest standards. Hindu and Moslem children sit side by side on the benches during the school hours and a proper *esprit-de-corps* prevails, and this of course constitutes a solid foundation for unity between the communities in the future.

As I have often said, all other problems in Kenya oscillate round the central problem of franchise, and India should do everything in its power to prevail upon the Colonial Office in London to implement a common electoral roll in that territory at an early date. Granted a common franchise, all other political problems facing the community would permit of an eventual solution".

Indians in East Africa

Indian disabilities in East Africa are prominently brought out in a statement made to the Associated Press by Mr. C. F. Andrews. This was issued from New Delhi, dated the 25th. March 1932. Mr. Andrews said :—

"In the past few weeks there have been various Ordinances, either proposed or passed into law, which have very seriously injured the Indian interests both in Portuguese East Africa and in Tanganyika. It is not unlikely that if these disabilities were to remain Kenya and Uganda would also be soon affected.

When I passed through Lourenco Marques and Beira I found the Indian traders and merchants very seriously disturbed by a proposal, which may very soon be passed into law, that wherever assistants were engaged in any trade or business in future, 75 per cent. of these must be Portuguese subjects. Such a law would undoubtedly reduce the Indian population by at least half in Portuguese East Africa.

When I inquired into the origin of this proposal I was told two things; firstly that economic depression has very badly effected Portuguese East Africa and there are many unemployed Portuguese, and therefore it is thought desirable to give preference in employment to the Portuguese. Secondly, I was told on good authority that in Lourenco Marques the Transvaal spirit of discrimination against the Indians has, in recent years, become more and more marked. It was suggested to me that this new proposal emanated from Transvaal influences. It is quite deplorable that in a part of the world where Indians have been received hitherto on equal terms and with the utmost courtesy, there should creep in this Transvaal spirit which threatens to pervade the whole coast—Kenya, Tanganyika, Natal and Portuguese East Africa.

Further up the coast, in Tanganyika, two new Ordinances have been already passed which are bound to have a most harmful effect upon the Indian community. In this territory nearly 90 per cent of the Indian immigrants belong to the Gujarati community, and practically the whole trade of Tanganyika is in their hands. Thus, these two Ordinances are likely to injure most of all those who have come to Tanganyika from Gujarat.

The first of these is the 'Non-Native Poll Tax' which would undoubtedly injure those who are engaged in trade in Tanganyika, and more particularly the poorer members of the community. Although this tax is called a 'Poll Tax', it is really a sort of 'Income Tax' under which people are liable to pay anything from £2 to £200 per annum. Moreover it is levied in a most arbitrary fashion and the incidence of it does not fall equitably on the taxpayers. Individuals and corporations having income over £2,000 per annum are let off lightly and these mostly happen to be European officials and European firms. The Indians base their objection to this tax, apart from the inequality of its incidence and apart also from the fact that at the present time of all-round economic depression it represents the last straw that would break the camel's back, on the ground that the Government could have and ought to have effected further economies in administrative expenditure. They maintain that there is much overlapping at the top of the administrative machine and that a few highly paid offices could be abolished without the least detriment to efficiency. I am told that during the recent years a great many unnecessary and highly paid posts have been created in the administration. There has been some retrenchment lately, but it has been mostly in the poorly paid bottom ranks of clerical and subordinate staff while the highly paid officials at the top remain untouched. A study of the pre-war blue books of Tanganyika would reveal the astounding fact that the Germans were able to administer the whole of this territory quite efficiently at a cost approximating less than a quarter of the present expenditure. I am told that in many cases a job which during the time of Germans was performed by a single European official has now tacked on to it as many as three or four. While the trade boom lasted and people had sufficient money, they did not mind this additional cost in administration, but in the exceptionally hard time through which they are now passing, they have a right to expect the Government to exploit every possible avenue of reducing the cost of administration before resorting to additional taxation. This new legislation also aims at cancelling the Education Tax which has been specially paid by the Indians for the education of their children; and the promise is made that the education of Indian children in future shall be paid for out of the polltax. The Indians are naturally very anxious lest, when the tax is pooled and utilized for all kinds of purposes, their education grants should suffer. Before this time, the Indian community were guaranteed an education grant to the full extent of the special tax which they were paying, and now they fear that only a small portion of the general poll tax will be earmarked for Indian education.

TRADE LICENSING AMENDMENT ORDINANCE

The second Ordinance will probably, in the long run, do the most serious injury of all. It is called the "Trade Licensing Amendment Ordinance." It aims at giving a single trade license (i.e. a monopoly) to one person or company enabling this person or company to have a monopoly of purchasing, in certain specified areas, native produce such as rice, maize, groundnuts, cotton etc. The reason which the Government puts forward for creating these monopolies is that the Native is inclined merely to barter his produce with the Indian shop-keepers in return for cloth. He has, therefore, no cash wherewith to pay his 'hut tax' to the Government. The Government also allege that the native produce bought by the Indian shop-keepers is not properly graded for export and that the export trade of Tanganyika seriously suffers in consequence.

The Indians argue that a very large proportion of Natives are still at a stage of barter rather than of cash payments, and that it would be a serious injury to the Natives to cut out all barter at this early stage. Furthermore, monopolies will inevitably create low prices and the Native growers would not get a full market value for their produce. As regards proper grading of the produce intended for export overseas, the remedy is in the hands of the Administration. All produce could be graded at the ports of Tanganyika at a small cost prior to shipment to foreign countries. This has been done already in other countries (including Kenya) and could easily be also done in Tanganyika. It does not also necessarily follow that a single buyer operating over a monopolised area would pay more attention to the grading of produce than would a number of three traders.

DANGERS OF MONOPOLY SYSTEM

I regret to say that despite all protests and entreaties by the Indian community in Tanganyika, both the aforesaid Ordinances have been passed into Law and are now in operation. When we remember that nearly 90 per cent. of the trade of that

territory is in Indian hands it will easily be seen how dangerous both these Ordinances are to Indian prosperity. Even though under the second Ordinance a monopoly may in the first instance, be given to an Indian firm, yet in years to come these monopolies would most certainly go into European hands. In any case the Native grower would be sure to suffer as monopolies must necessarily tend to low purchase prices. Free trade and stimulating competition alone would induce buyers of produce to pay top prices. The monopoly system would place the small Indian shop-keepers entirely at the mercy of some big European company, both in respect of buying and selling Native-grown produce.

PRECARIOUS POSITION OF INDIANS

One thing in this connection has made me extremely anxious and is noteworthy in India. Although I have been a keen student of East African Indian questions, all this new legislation was entirely unknown to me. It is quite possible that I should have heard nothing about it if I had not happened to visit these parts on my way back to South Africa. I found also that the members of the South African Indian Delegation had received very little knowledge and information about the Ordinances. This shows how very precarious the position of Indians Overseas has become. There is no directly responsible Indian Agent, such as an Indian Consul, at Lourenco Marques; there is also no Indian Trade Commissioner at Mombasa or Dares-es-Salaam, who could immediately cable to India itself the news of all repressive legislation adversely affecting nearly the whole of the Indian population in those territories. I am afraid that if these Ordinances become permanent, the Indian population in East Africa, south of Kenya, may be reduced by at least 50 per cent. in the course of another five years, for they would find it utterly impossible to carry out a profitable trade in the face of such disabilities.

INDIA AND THE OTTAWA CONFERENCE

Merchants' Federation's Memorandum

Mr. Walchand Hirachand, President of the Federation of Indian Chamber of Commerce and Industry, Bombay, addressed in April the following representation on behalf of the committee of the Federation with regard to the Ottawa session of the Imperial Economic Conference to:—

- (1) The Rt. Hon'ble the Secretary of State for India, London.
- (2) The President, Imperial Economic Conference, Ottawa.
- (3) The Private Secretary to His Excellency the Viceroy, Simla.
- (4) The Secretary to the Government of India, Commerce Department, Simla.

The attention of the committee of the Federation of Indian Chambers of Commerce and Industry has been drawn to an announcement* made by the Hon'ble Sir George Rainy, Commerce Member to the Government of India, on the floor of the

*Mr. C. S. Ranga Aiyar asked the following short notice question which elicited an important reply:—

"Will the Government of India take part in the Imperial Economic Conference at Ottawa next July? Will the Government be pleased to make a statement explaining what action they propose to take in the matter?"

Sir George Rainy made the following reply:—

"The Government of India have agreed to send their delegation on the Imperial Economic Conference, which will meet at Ottawa in July next. They have been informed that the principal item on the agenda will be the discussion of the policy of a trade between the different countries of the Empire. They have been invited in particular to consider the question whether, having regard to the new tariff policy of His Majesty's Government in the United Kingdom, Great Britain and India should enter into a tariff agreement embodying a reciprocal preferential tariff agreement so as to benefit the trade of both the countries. The Government of India have accepted

Assembly on Monday, the 4th. April, announcing the personnel of the delegation which is to represent India at the forthcoming Ottawa session of the Imperial Economic Conference. The committee regret to find that the personnel of the Indian delegation, though mainly consisting of non-officials, was not selected in consultation with the predominant commercial and industrial interests in the country as represented by the Federation. Though in other constituent parts of the Empire delegations to this session of the conference might be formed of Cabinet Ministers or officers representing the Government of the country, in a country like India where the administration is run on entirely different lines and where the Government are not "responsible to the people" in the sense in which it is understood in the Self-Governing Dominions of the Empire, it is essential for the Government of India as a precautionary measure to consult Indian commercial and industrial interests in nominating the Indian Delegation to such Conferences. The Delegation to the Ottawa Conference, as constituted at present, is neither representative of any predominant commercial or industrial interest in the country, nor, the Committee believe, are they in a position to express their independent views on several of the questions coming up before the Conference for decision, the members being the nominees of the Government. They will be mainly acting under the instructions, issued by the Government of India about the nature of which the commercial community is kept in the dark. Bearing in mind how the fiscal policy of the Government of India has been shaped till now the Committee feel that it would be most undesirable for the Government of India, on the eve of the transference of power to Indian hands, to commit the future Government of the country to any reciprocal preferential tariff agreement.

"India is not at present enjoying full control over her fiscal policy and as such is unable to take any independent view of the various proposals that would be submitted for consideration at the Conference relating to reciprocal preferential tariffs between the United Kingdom and India. The Government had so far failed to acquaint the Indian commercial community with the potentialities of the Ottawa Conference by not taking them into their confidence with regard to Government's attitude on these questions. In the absence of any definite information as to the attitude of the Government of India at the said Conference beyond a mere statement in the Assembly to the effect, that "in case of a conclusion of a trade agreement, any changes in Tariff which such agreement may involve will be duly placed before the Legislature for its approval," the Committee have no idea about the implications of the various proposals before the Conference relating to the Imperial Preference and Reciprocity. They, therefore, wish unequivocally to state that until India gets effective control over her fiscal policy, under no circumstances would she reconcile herself to the application of the Imperial preference and reciprocity of any nature as far as she is concerned. Though this view has been expressed from time to time from public platform, in the press and the legislature of the country in the past, it is all the more necessary for the Committee to reiterate it as India is passing through a crisis of unprecedented magnitude being on the threshold of a new era that would be inaugurated by the transference of the British administration in the country to popular legislature.

"The Committee feel that if any commitment is made by the Indian Delegation at the Ottawa Session of the Conference without the full knowledge and agreement of the Indian commercial interests as represented by the Federation, it would not only exasperate Indian public opinion and support the conviction that India is being used as a pawn in the greater interests of Great Britain, but would unnecessarily strain the feelings between the two countries. The Committee, therefore, request that it is desirable in the interests of both Great Britain and the Empire that the Government of India or their Delegation at the Conference should not commit themselves to any policy, particularly to the application of the principle of

that invitation, and His Excellency the Viceroy, with the approval of the Secretary of State, has appointed the following gentlemen to represent India at the Conference: *Leader:* Sir Atul Chatterjee. *Members:* Mr. R. K. Shanmukham Ohetty, Sir Pestonji Ginwala, Seth Haji Abdulla Haroon, Sahibzada Abdul Samad Khan and Sir George Rainy.

"If the conclusion of a agreement is recommended as a result of the Conference, any changes in tariff which it may involve will be duly placed before the Legislature or its approval. The Government of India have no wish to put any such changes into effect unless the Legislature is satisfied that they are in the interests of India."

the Imperial Preference and reciprocity at this juncture, and it should be left to the future popular Government of the country, that would be constituted by the new Government of India Act, to shape their policy regarding inter-imperial trade relations, including the application of reciprocal preferential tariff agreement in a manner as would best serve the interests of this country.

"In any case, I have the honour to make it clear on behalf of the Federation that no commitment not only in respect of Imperial preference and reciprocity, but with regard to all economic questions made at the said Conference, will be binding on India until she gets full freedom over her own affairs and until she formulates her own fiscal policy suitable to her own needs and requirements after going through the pros and cons of the question. I have, therefore, the honour to request you to take a note of the considered opinion of the Committee of this Federation with reference to any attitude that may be taken at the Ottawa Session of the Conference by the Indian Delegation."

Govt's Reply to Indian Chambers Federation

Replying to the Secretary to the Federation of Indian Chambers of Commerce and Industry on the subject of the Imperial Economic Conference at Ottawa. Mr. Drake, Commerce Secretary, said, dated Simla, 31st May 1932 :—

In your letter Nos. 484 and 493, dated respectively the 8th and 9th April, your called attention to certain press reports intimating that His Majesty's Government in the United Kingdom had invited the British trade and Shipping Federations and the Trades Union Congress in Great Britain to appoint representatives to attend the Ottawa Conference and that the industrial organisations in certain of the Dominions were deputing representatives to act as observers, who would have access to the sittings of the conference and to the literature pertaining to it. You asked whether the Government of India intended to offer facilities of that nature to such observers as might be deputed by the Federation at their own cost, and whether the Government of India proposed to invite the Federation to appoint representatives to attend the conference.

On receipt of your two letters, referred to in the preceding para, the Government of India made an enquiry by cable from the Secretary of State, asking him to ascertain and inform that what action had been taken by His Majesty's Government in the United Kingdom in the matter of inviting trade and commercial organisations to appoint representatives, and whether the observers deputed by such organisations would be permitted to attend the sittings of the Conference and have access to its papers. While awaiting a reply to that enquiry the Government of India received from the President of the Federation his letter No F-564 dated 22nd April 1932 in reply to their letter to the Federation dated 14th April. In that letter, the Federation have stated unequivocally their opinion that, in the present stage of her political development, India should, in no circumstances, enter into any trade agreement with another country in the Empire on a basis of reciprocity; and the Government of India understand from the letter that, in the opinion of the Federation, it is desirable that India should decline to discuss the question of entering into a trade agreement with the United Kingdom in spite of the new circumstances created by the United Kingdom Import Duties Act of 1932 and regardless of whether refusal to consider the possibilities of the trade agreement will injuriously affect the export trade of India.

In view of the letter cited above, the Government of India are at a loss to understand why the Federation should constitute to enquire whether they will be invited to appoint representatives to attend a conference, with the whole object of which they have expressly and publicly dissociated their organisation.

I am however to state for the information of the Federation the position as regards attendance at Ottawa of representatives other than delegates and advisers, whose object will be to represent, not certain political views, but definite industrial and commercial interests. It is understood that a number of industries in the United Kingdom desire to send to Ottawa of representatives of their own interests, whose advice will be available to the delegates and advisers. The expenses of such representatives would be borne by the interests they represent, and the delegation from the United Kingdom would be in no way responsible for them nor is it contemplated that they should attend the meetings of the Conference or have access to official documents. It is understood further that in the case of at least one of the

Dominions, businessmen will attend at Ottawa at their own expense and will be available for consultation as and when necessary.

As the Federation are aware, six delegates have been appointed to represent the Government of India at the Conference. In addition the appointment of a few expert advisers is likely shortly to be made. If, in addition, commercial and industrial interests in India decide to send representatives to Ottawa at their own expense, the Government of India have no doubt that the Indian Delegation will be glad to avail itself of the advice of such persons on particular points as and when necessary. But the question of the attendance of such representatives at meetings and of allowing them access to the Conference papers must be left for decision by the Conference itself.

I am to add that a copy of this letter is being endorsed to the Chambers of Commerce and other Associations which were addressed in the Government of India's letter. No. 752-T (4), dated 6th April 1932.

Government's Letter to Indian Merchants' Chamber

In letter No. 752-T (4) dated 6th April to the Indian Merchants' Chamber, the Government of India, Department of Commerce, observed :—

"Your Chamber has doubtless taken note of the recent announcement in the Legislative Assembly relating to India's participation in the Imperial Economic Conference to be held at Ottawa next July.

2. Your Chamber will observe from the statement made by the Hon'ble Sir George Rainy that the Government of India accepted the invitation extended to them to take part in the discussion at Ottawa of the question whether, having regard to the new tariff policy of His Majesty's Government in the United Kingdom, Great Britain and India should enter into a tariff agreement embodying a reciprocal preferential regime so designed as to benefit the trade of both countries, and that the members of the delegation which will represent India have already been appointed.

3. In inviting your Chamber to represent its views in the matter, I am, in the first place, to explain the circumstances in which the Government of India have decided to take part in negotiations which may result in recommendations that a preferential tariff agreement should be concluded between Great Britain and India. As your Chamber is doubtless aware, the Government of India's policy has hitherto been based on a single-decker tariff consisting mainly of purely revenue duties but containing certain duties imposed in pursuance of the policy of discriminating protection for Indian industries. In the case of two classes of imports, namely, articles manufactured from steel and cotton piece-goods, differential rates of duty are at present in force upon goods of British and those not of British manufacture. These differential rates of duty were, as was explained when the relevant legislation was under consideration, incorporated in the tariff in the interests of the consumer in India. All commercial treaties and trade agreements into which India has entered with foreign countries are in the matter of tariffs, confined to the reciprocal grant of the most-favoured-nation treatment, that is to say, India undertakes in them to grant to the other party treatment in respect of imports and exports not less favourable than that given to any other foreign country. No treaty or trade agreement has hitherto been entered into on a bargaining basis by which is meant the grant of a preferential rate of import duty in India in return for the grant of reciprocal benefits by the other party to the agreement. Now the Import Duties Act 1932, recently passed by the British Parliament, has imposed with effect from the 1st March 1932 a general duty of 10 per cent *ad valorem* on all goods imported into the United Kingdom with certain exceptions and has empowered the Government to impose additional duties on the recommendation of an Advisory Committee. Under the provisions of the Act goods produced or manufactured in the Dominions and India will until the 15th November, 1932, be free of the general duty of 10 per cent and also of any additional duty which may be imposed. Dominion and Indian products have thus been given free entry into the United Kingdom for a period of eight and a half months and the object of this provision is to give an opportunity to each country in the Empire, if it so wishes, to enter into a trade agreement with the United Kingdom. If no such agreement is made with India, His Majesty's Government in the United Kingdom will be free after the date mentioned above to impose on all imports from India any duty authorised by the Act.

(4) In the circumstances the Government of India considered that it was clearly in the interest of the country that the offer made by His Majesty's Government in the United Kingdom should be accepted in order that the possibilities of a special trade agreement might be discussed by representatives of the two Governments in connection with the forthcoming Imperial Economic Conference at Ottawa. At the same time, they have made it clear that if the conclusion of a trade agreement between Great Britain and India is recommended involving any changes in the Indian customs tariff, any such changes proposed will be placed before the Indian Legislature for its approval, and that the Government of India have no wish to put any such charges into effect unless the Legislature is satisfied that they are in the interests of India. Further, in the exceptional circumstances, and in view, particularly, of the shortness of time remaining before the Conference, the Government of India have decided to address your Chamber direct and to ask for any proposals or suggestions which it may wish to make regarding matters which might in its opinion be brought specially to the attention of the Indian Delegation. I am to request, however, that a copy of any reply which your Chamber desires to make to this letter may be furnished to the Government of Bombay, when the original is sent to this Department and that, as time is pressing, steps may kindly be taken to ensure that the reply is despatched so as to reach this Department not later than the 1st May 1932.

Bombay Merchants' Chamber's Reply to Government

The following is the text of the reply sent by the Bombay Indian Merchants Chamber to the Government of India's letter regarding the Ottawa Conference, dated 30th. April 1932 :—

I am directed by the committee of this Chamber to acknowledge receipt of your letter No. 752-T (4), dated 7th April 1932. The committee have considered the announcement in the Legislative Assembly relating to India's participation in the Imperial Economic Conference and the various statements in the press from different quarters indicating the scope or the possible results of the said conference.

Without involving any reflection on the individuals, who constitute the personnel of the Indian delegation to this conference, the committee desire to state that the personnel in the case of India would be materially different from that of every Dominion represented at this conference. In the case of Dominions also, it is the respective Governments in power, who nominate the delegates but these Governments are responsible to, and represent, the majority party in the Dominion legislatures. In the case of India a complaint on this score has been raised by this Chamber in the past and must continue to be raised until the promised constitutional reforms establish real responsibility. The Government had the opportunity of consulting the legislature and also of inviting the views of Central commercial associations like this chamber on the personnel and it is regretted that this was not done. A Delegation, which thus consists merely of nominees of the Indian Government that has been in the past described as a subordinate branch of His Majesty's Government, may be useful in the collection and dissemination of relevant information, but must necessarily lack the authority to bind this country even for the immediate future. Nor could it claim to speak in the name of India or to have Indian public opinion definitely behind it. The committee have noticed that, in the United Kingdom, Government have agreed that the official delegation should be accompanied by industrialists and leaders of business as well as representatives of trade unions and other interests likely to be affected. They regret that the Government of India have not made even this attempt to make India's participation real in the conference by associating with the delegation representative Indians, whose experience and advice would be at the disposal of the delegates. Such association would, without doubt, have been one method of curtailing the stage of any possible negotiations, which may emanate from this conference, as the committee feel that it is very material for all interests, which are likely to be affected by any proposal or recommendation of this conference, to be fully and properly consulted before any such recommendation is accepted even in principle. The committee do not know whether Government consider it too late to remedy this omission.

With regard to the main issue, viz., a policy of trade agreements between different countries of the Empire, "my committee would like to express clearly that they have always been opposed to a policy of imperial preference. Their opposition to

this in the past has been based not merely on sound economic grounds which were at one time endorsed even by the Government of India in their communique on this subject (Reference : Lord Curzon's communique of 1903) but also on the political ground that India is not an equal member of the Empire on a par with the Dominions. Indians have been denied elementary human rights enjoyed by White citizens in various parts of the Empire, and conditions have not been such as to endear to the Indian mind the notion of Empire Citizenship. My committee, therefore, think that the proper atmosphere for the adopting of a general policy of trade agreements involving any preference between India and the members of the Empire will not arise till after the establishment of the reformed Constitution involving the responsibility of the Government of India in these matters to the legislature. Since the date when such a constitution is to be established, is according to more than one authoritative pronouncement, to be not very far, the committee would suggest that India's acceptance of a general policy of Imperial Preference or of any broad principle envisaging trade agreements between the various parts of the Empire should be deferred till after India has, in the matter of its constitution, attained the status of a Full Dominion.

As a general principle, the committee feel that India's experience in the past with regard to agreements, based on political grounds, has not been satisfactory, and any agreements, which are to be based on such grounds, may be therefore well deferred till the Government and the delegation from India can speak more truly in the name of the people than they can at present. They further feel that nothing should be done, which would preclude the freedom of India either in the future, or thereafter, to undertake negotiations and to effect advantageous trade agreements with important customers and important buyers of India's produce and products, who may not be members of the Empire. In other words they are emphatic that political consideration should be altogether eschewed from the deliberations at Ottawa, as indeed it is very doubtful if these considerations are prominently advanced, whether Indian public opinion will be reconciled to arrangements, not because they are advantageous to India, but because India is included and for such purposes reckoned as part of the Empire.

On an examination of the problem, my Committee further feel that even if agreements offering equal reciprocal benefits are to be negotiated, it is extremely improbable that there would be the double coincidence when trade between two countries (even if they happen to be in the Empire) offers equal benefits to both. Existing trade which is the outcome of many years' arrangements without the sort of preference which may now be proposed would take considerable time to readjust to the new conditions and it is not feasible to calculate in advance the full effects and to forecast the full mutual benefits, which may arise. The Committee do not see the possibility of any agreements being arrived at, which will embrace the whole, or even the bulk, of the exports from India to another country, say the United Kingdom and the whole of the imports from the United Kingdom to India. The Committee would, therefore, request the personnel to keep clear of any such generality, as on closer examination it is more likely than not found to be unworkable and unacceptable.

By elimination, the scope for any really useful and mutually satisfactory arrangement is limited to concrete propositions with regard to certain items of India's exports to U. K. and certain items of India's export from the U. R. In the absence of all detailed information and of the expression of any definite proposals from the Government of the United Kingdom, the Committee would advise the delegates to listen to the discussions to assure the various countries of the Empire of India's desire to consider fully any arrangements that are advanced on strictly business grounds and that are demonstrably in the interests of India. Such consideration would, however, involve a full preliminary consultation with all the interests, agricultural and others, which are concerned. India is backward in industry and, therefore, values such industry as has been established, and any proposals involving a serious setback to such industries would naturally not appeal to Indian public opinion. Considerations of revenue arising out of existing tariffs and affecting Government finance would also find a place in the examination of whatever proposals that emanate. Nor can any representative Indian omit for one moment the reaction on India's important customers outside the Empire and the possibility of retaliation from that quarter. Taking it on the whole, while the Conference at Ottawa may offer a suitable opportunity for a mutual gesture of goodwill, and while some of the Dominions may have concrete proposals on which public opinion in

their country has been definitely ascertained, in the case of India the Conference can only lead to stimulation of thought in these directions. Even if concrete proposals are put forward with regard to the United Kingdom and this country in respect of specific items of India's imports as far as one can judge at the present moment, it is not improbable that most of such proposals advanced in the initial enthusiasm for Imperial Preference may be found not feasible on closer examination. The Committee would, therefore, urge on the members of the delegation the need for extreme caution and, above all, for not committing either the Government of India, whom they represent, or the Government of India responsible to the people, which may come to be established hereafter, to any principle or policy, however general it may be until such principle or policy has received attention and examination in this country.

I am directed further by my Committee to say that the delegation represents the Government of India and not India as mentioned in paragraph 2. It is because of this that the assurance of Government that "the Government of India have no wish to put any such changes into effect, unless the Legislature is satisfied that they are in the interests of India," becomes very significant. The Committee, however, trust that Government recognise that the solid block of official and nominated members imposes on the elected members of the Legislature a serious handicap. It is tantamount to a demand not for a bare majority, but for an excessive and arbitrary majority. It has led in the past, when Government were able to take even a meagre few of the elected members with them, to the declaration that the Indian Legislature has endorsed certain policy of Government, whereas, in effect, the elected representatives, who alone would represent the country, were by absolute majority opposed to such policy. The Committee feel that to be delicate issues affecting fiscal relations between England and India, which are likely involved in any recommendations emanating from Ottawa, should not be prejudiced, and that an atmosphere of suspicion in regard to the clear opinion of Indian representatives in the Legislature should not be aroused. They, therefore, trust that in ascertaining the views of the Legislature on this question Government will direct the official block and their nominees not to vote. In respect of these all-important questions this is the least that may be expected of Government even under the present constitution.

Calcutta Indian Chamber's Letter to Government

The following letter was addressed by the Secretary, Indian Chamber of Commerce, Calcutta, to the Secretary, Government of India, Department of Commerce, re: Imperial Economic Conference at Ottawa.

I am directed by the Committee of the Indian Chamber of Commerce, Calcutta, to refer to your letter No. 752-T (4) dated the 6th April 1932, inviting their views in regard to the advisability of India entering into a Tariff agreement embodying a reciprocal preferential regime, so designed as to benefit the trade of India and the United Kingdom. My Committee have considered very carefully the contents of your letter under reference and at the outset they desire me to express their regret that the personnel of the Indian delegation to the Ottawa Conference, though consisting mainly of non-officials, was not settled in consultation with the Federation of Indian Chamber of Commerce and Industry as representing the commercial and industrial interests of the country. The true opinion of the country on such a question cannot be expressed by a delegation nominated in the way in which it is done by the Government.

I am further directed to point out that the Indian Chamber of Commerce has always been opposed to the grant of Imperial Preference in the past, and my Committee desire to reiterate their opinion here, that after a due consideration of all the relevant facts in this connection they see no justification at present for India entering into any Tariff agreement with Great Britain, embodying a reciprocal preferential regime. My Committee would like to point out in this connection that in the past India has always been opposed to Imperial Preference. In the year 1903, the Government of India were consulted on the question of Imperial Preference from the stand-point of the interest of India. After reviewing the position of India, the nature of her trade and traffic and her commercial relations with the Empire and

other countries, the general conclusion of the Government of India was that from an economic standpoint India had something, but perhaps not very much, to offer to the Empire, that she had very little to get in return and she had a great deal to lose or to risk. Up to the time of the last Great War, India and the majority of the Crown Colonies had not adopted the principle of Imperial Preference and the India Government had definitely stated that it did not see its way to grant preference to the United Kingdom. The Fiscal Commission considered the question of the adoption of a policy of Imperial Preference by India and arrived at the conclusion, after a very careful consideration of all the factors concerned, that India could not grant extensive preference without serious loss to herself and that it would not be reasonable for India to incur such a burden. (Vide Report of the Indian Fiscal Commission, paragraph 239).

INDIA'S TRADE WITH BRITAIN

My Committee would invite the attention of the Government of India in this connection to the volume and nature of the Trade of India with the United Kingdom and the British India during recent years. The Government of India are no doubt aware that out of the total export trade of India as much as 71 p.c. consists of articles which come under the classification of "food, drink and tobacco" and "raw materials and produce and articles mainly unmanufactured." In regard to imports received in India about 71 p.c. of the total represents "article wholly or mainly manufactured." The pre-war average percentage of such articles was 76 p.c. as compared with 71 p.c. during the year 1929-30 and 66 p.c. during the year 1930-31. Broadly speaking, therefore, it can be said that India imports manufactures and exports raw materials and foodstuffs. On an analysis of India's trade with the United Kingdom, my Committee find that the volume of India's imports from the United Kingdom, is continually decreasing, whereas India imported 62 p.c. (on an average) of her total imports from the United Kingdom during the pre-war period its import from the United Kingdom during the year 1929-30 fell to 42 p.c. In regard to her exports while India exported 25 p.c. (on an average) of her total export trade the United Kingdom during the pre-war period, she exported only 1 p.c. in the year 1929-30 and 24 p.c. in the year 1930-31. The total of both the import and export trade of India with the United Kingdom has also been consistently falling from 40 p.c. which is the pre-war average, to 30 p.c. in the year 1929-30 as well as in 1930-31.

Analysing the figures of India's trade with the British Empire, my Committee find that as compared with the pre-war average the total import trade of India with the British Empire has declined from 69 p.c. to 51 p.c. in the year 1930-31, the export trade has decreased from 41 p.c. which is the pre-war average, to 36 p.c. in the year 1929-30 and 39 p.c. in the year 1930-31. The total of import and export trade with the British Empire fell from 52 p.c. which is the pre-war average to 42 p.c. in 1929-30 as well as in 1930-31.

GROWING TRADE WITH OTHER COUNTRIES

India's trade with other foreign countries has, on the other hand, been slowly growing. Her import trade with other foreign countries increased from 30 p.c. which is the pre-war average, to 48 p.c. in 1929-30 and 53 p.c. in 1930-31, and her export trade increased from 58 p.c. which is the pre-war average, to 64 p.c. in 1929-30 and 60 p.c. in 1929-30 and 60 p.c. in 1930-31. The total of import and export trade of India with other foreign countries witnessed an increase from 47 p.c. which is the pre-war average, to 57.5 p.c. in 1929-30 and 57.6 p.c. in 1930-31.

A glance at the figures of value of India's foreign trade will reveal that India's exports usually exceed her imports in the case of all countries excepting the United Kingdom where the reverse has always been the case. It was only during the year 1930-31 that India had an excess of exports over imports from the United Kingdom to the extent of Rs. 7 crores.

Analysing the commodities which constitute the import trade of India, we find that the United Kingdom supplied during the years 1929-30 and 1930-31, 63 p.c. and 58 p.c. of her total imports of cotton manufactures, 20 p.c. and 23 p.c. of her total imports of motor-cars and motor-cycles etc., 56 p.c. and 53 p.c. of her total imports of instruments, 59 p.c. and 52 p.c. of her total imports of iron and steel, 75 p.c. and 74 p.c. of her total imports of machinery, 35 p.c. and 36 p.c. of her total imports of hardware, 58 p.c. and 59 p.c. of her total imports, of liquors and 32 p.c.

and 31 p.c. of her total imports of paper. Analysing the export trade, we find that India exported to the United Kingdom during the years 1929-30 and 1930-31, 80 p.c. and 84 p.c. of her total exports of tea, 20 p.c. and 17 p.c. of her total exports of jute (raw), 6 p.c. and 5 p.c. of her total exports of jute manufactures, 6.6 p.c. and 6.5 p.c. of her total exports of cotton (raw), 16 p.c. and 15 p.c. of her total exports of oil seeds, 2 p.c. and 9 p.c. of her total exports of food grains, and 46 p.c. and 52 p.c. of her total exports of hides and skins (raw and tanned). While the share of the United Kingdom in the import trade of India fell from 42 p.c. in 1929-30 to 37 p.c. in 1930-31, the value of the imports of the United Kingdom decreased from Rs. 103 crores to Rs. 61 crores. Although the percentage of the export trade from India to the United Kingdom increased from 21 p.c. in the year 1929-30 to 24 p.c. in 1930-31, the value of the export trade to the United Kingdom fell from Rs. 69 crores to Rs. 34 crores. The principal articles exported to the United Kingdom during the year 1930-31 were tea (value Rs. 20 crores), hides and skins (value Rs. 6 crores), raw and manufactured jute (value Rs. 4 crores), raw cotton, seeds and food grains (value Rs. 3 crores each) and raw wool (value Rs. 2 crores.) These articles taken together represented about 79 p.c. of the total exports of the United Kingdom as compared with 77 p.c. in 1929-30. A study of the statistics of foreign trade of India will indicate that a very large bulk of the commodities imported from the United Kingdom, comes under the heading of manufactured articles, that the importance of the United Kingdom in the supply of these commodities is declining, that the share of countries like Japan, United States, etc., is increasing, and that a large bulk of the commodities exported to the United Kingdom comes under the heading of raw materials and foodstuffs.

LITTLE BENEFIT FROM PREFERENCE

After analysing the foreign trade of India with the United Kingdom and the British Empire, my Committee feel that India has not much benefit to derive from a preference which tends to be more important in the case of manufactured goods than in the case of raw materials. As the Fiscal Commission rightly pointed out, manufacturers nearly always meet with keen competition in the foreign markets and therefore a preference on manufactures is nearly always of value. The position in regard to raw materials and foodstuffs which constitute 70 p.c. of India's exports, is, however, different. In the first place, they are usually admitted free in the foreign markets, so that the possibility of a preference hardly arises. My Committee would invite the attention of the Government of India to the list enclosed with their letter under reference, giving a list of the goods exempted from the general 'ad valorem' duty of 10 p.c. imposed by the United Kingdom, in the year 1932. This list of goods exempted from the general 'ad valorem' duty contains such articles as tea, cotton (raw), wool and animal hair (raw), hides and skins and rubber (raw). India exports large quantities of these articles to the United Kingdom and on these she has hardly any preference to get as they are exempted from these duties. Even though a small duty may be put on these raw materials which are now exempted, India cannot gain much by preferential duties as she supplies necessities which must be purchased from her and indeed on exports of some articles like, for instance, jute which is India's monopoly, no preference can be given to her. Again, at best, the preference that can be tendered to India would be very small because England cannot afford to levy high duties on such commodities. Besides, usually the markets for raw materials being to a large extent ready made and not in need of nursing, they stand very much less in need of preference than manufactures and the gain to them by preference is likely to be correspondingly smaller. A policy of preference in relation to her imports would cause a distinct economic loss to the people of India who, it must be remembered, are very poor and are already bearing a considerable burden incidental to the protection granted to the various industries in the pursuit of a policy of more rapid industrial development. My Committee are emphatically of opinion, however, that it would not be proper to inflict an unwarranted and unavoidable extra burden on the Indian consumers for the benefit of British manufacturers. What is more, my committee are also apprehensive that a policy of preference would diminish the benefits of full protection which might be given to any Indian industry for its development.

My Committee further feel that from the standpoint of India the case for Imperial Preference in relation to manufactures from Great Britain is made more untenable at the present moment, due to the fact that the price level in Great Britain has increased as a result of the policy of protection recently adopted by Great

Britain. The consequence of giving preference to and creating a market in India for protected British goods will be that India will be made to bear a part of the burden of protecting industries in Great Britain which will doubtless be a heavy one.

THE MOST IMPORTANT CONSIDERATION

But the most important consideration which determines the attitude of the Committee of the Chamber against the proposal of India entering into any agreement with Great Britain and other Dominions at the present moment is that India is not free, that is, does not enjoy Dominion Status in the Empire, that its political status is not the same as all the other partners of the Empire, that the Dominions do not treat the Indian citizens on a footing of equality and that anti-Asiatic Legislation in so far as it applies to the people of India is not yet unrepented in many Dominions and that India does not enjoy unfettered control over its fiscal policy and as such is unable to initiate, grant, vary and withdraw preference as and when necessary in the interest of India, at her discretion. In this connection, my Committee would also commend to the careful attention of the Government the following notable observation in regard to Imperial Preference made in the Minute of Dissent to the Report of the Indian Fiscal Commission :—

"That the condition precedent to any agreement with a British Dominion in trade matters on the basis of reciprocity should be the recognition of the right of the Indian people to a state of complete equality and the repeal of all Anti-Asiatic laws so far as they apply to the people of India."

My Committee are aware of the observations made by the Government of India that if the conclusion of trade agreement between Great Britain and India is recommended, involving any changes in the Indian Customs Tariff, such changes will be placed before the Indian Legislature for its approval, and the Government have no desire to put any such changes into effect unless the legislature is satisfied that they are in the interest of India. My Committee, however, feel that at a time when the constitution of the Government of India is undergoing revision no commitments should be made towards the acceptance of the principle of Inter-Imperial Preference by the Government of India under the direction of or in consultation with the Secretary of State, and that the hands of the future Government should be left unfettered for following a policy calculated to promote the interest of India. My Committee would also take this opportunity of mentioning that any commitments by the present Government to the principle of Imperial Preference would make her liable to measure of preference at a time when she is not able to determine them by the vote of a wholly elected legislature with her Government responsible to such legislature, as is the case in all the Dominions, and would restrict in future the freedom of the popular Government.

ASSEMBLY VOTE NOT TRUE OPINION OF COUNTRY

In the Legislative Assembly, as it is constituted at present, consisting of a large number of official and nominated members, who are not able or free to express the true opinion of the country, the Government will be able to get accepted the principle of Imperial Preference and regulate it with perfect freedom. The assurance therefore that no changes in the fiscal policy of India will be made unless the legislature is satisfied that they are in the interest of India, is hardly a sufficient guarantee for the protection of Indian interests. Any agreement made by Government and ratified by the present Assembly cannot therefore be viewed without suspicion and misgiving by the public, and cannot be acceptable to them. Until therefore the time comes when India attains responsible Government, and is able to regulate her fiscal policy by the vote of a wholly elected legislature, and by her own free will undeterred by regard for its efforts on Great Britain whose interests have received preponderating consideration and preference in the past even to the detriment of the best interests of this country, my Committee are emphatically of the opinion that India should not be committed to the acceptance of the principle of Imperial Preference at the forthcoming Ottawa Conference.

My Committee also desire me to observe that it is due to the artificial conditions imposed by British interests with regard to specifications that the differential rates of duty at present in force upon goods of British and non-British manufactures in regard to articles manufactured from steel, appear to be in the interests of the consumer, in India. As a matter of fact, India has been forced to use British steel

because of the specifications and conditions laid down by the Government, Railway, Port Trusts and other quasi-government bodies in regard to the supply of such materials. I am also directed to point out that in the year 1930, there was a very strong opposition from the public when the Government introduced the principle of Imperial Preference in relation to the measure of protection to the Indian Cotton Textile Industry. The entire commercial community was opposed to the measure of Imperial Preference embodied in the Bill but the legislature had no other alternative but to accept the measure, on pain of withdrawal of the Bill introduced for giving protection to the industry. The Government of India must also have observed that in spite of this measure of Imperial Preference, there has been a rapid decline in the import of piece-goods from the United Kingdom during the last year. Whatever attitude the Delegation appointed by the Government of India to the Ottawa Conference may take, my Committee desire to point out in unequivocal terms that no commitments would be binding on the Government, which are not ratified by a future responsible Government in the country.

GREAT MISGIVINGS

It is a matter of grave concern to the commercial community that the Government of India in their Communique dated the 9th April, 1932 appointing the Tariff Board for an enquiry into the question of protection to the Cotton Textile Industry, have directed the Board to examine whether the same rate of protection is required against the competition of goods manufactured in other countries. My Committee cannot conceal their feeling that the inclusion of this matter in the terms of reference to the Tariff Board immediately after the Sessions of the Assembly, without giving the Assembly an opportunity to discuss this matter, is not only unfair to the Assembly but also gives rise to a strong suspicion that the Government of India have made up their minds in favour of a preferential regime as far as the United Kingdom is concerned. It is clear from the terms of the Communique, that the Government of India are already biassed in favour of Imperial Preference and my Committee in common with the commercial community and the public view this suggestion of the Government with very great misgiving.

In the end, I am to add that while my Chamber would welcome a trade agreement based on the reciprocity in the interest of both the countries, the present atmosphere is not such as would make any such agreements acceptable to the public and they would therefore urge upon the attention of the Government that they would be taking a very unwise step in seeking to enter into agreements on behalf of India with Great Britain and other parts of the Empire at the present juncture.

My Committee trust that the Government of India will be pleased to consider this matter very carefully and to bring these views of the Indian commercial community to the attention of India's Delegation to the Ottawa Conference.

REPORTS—OFFICIAL & NON-OFFICIAL

JANUARY—JUNE 1932

THE ROUND TABLE COMMITTEES

Personnel of the Committees

The personnel, of the three committees which commenced work in India in March 1932 in continuation of the discussions of the second Round Table Conference, is 'as follows:—**Franchise Committee**: The Marquis of Lothian (Chairman); Sir Ernest Bennet, M. P.; R. A. Butler, Esquire, M. P.; The Marquess of Dufferin and Ava; Sir John Kerr; J. Milner, M. P.; The Hon. Mary Ada Pickford; Dr. B. Ambedkar; Khan Bahadur Aziz-ul-Haq; The Hon. Mr. E. Milner; Sir Mahomed Yakub; Dewan Bahadur A. Ramaswami Mudaliar; Mrs. Subbarayan; Sir Sunder Singh Majithia; and Mr. Shripad Balwant Tambe (Members); Messrs. Jayaratnam and Laithwaite (Joint Secretaries); Messrs. S. P. Thompson and E. H. T. Ward (Assistant Secretaries). **Federal Finance Committee**: The Right Hon'ble Lord Eustace Percy, M. P., (Chairman); Sir Louis Kershaw; F. P. Robinson, Esquire; Lt.-Col. K. P. Haskar; Nawab Sir Muhammad Akbar Hydari; and Mr. Shanker Rao (also Secretary) (Members). Mr. K. Anderson (Second Secretary). **Indian States Enquiry Committee**: The Rt. Hon'ble J. C. C. Davidson, M. P. (Chairman); Lord Hastings, Major-General Sir Robert Hutchinson, M. P.; Sir Reginald Glancy; Sir Maurice Gwyer; Sir Charles Stuart Williams and Mr. J. R. Martin (Members); Messrs. P. J. Patrick and K. S. Fitzee (Joint Secretaries). In addition to these three committees, a Working Committee was constituted, which should be brought into effective consultation on the recommendations of the Committees before the final recommendations were adopted by His Majesty's Government. The Prime Minister had nominated the following members to the committee, under the Chairmanship of the Governor-General:—**The Working Committee**: The Raja of Sarila; Rao Bahadur V. T. Krishnamachari; Nawab Liaquat Hayat Khan; Sir Manubhai Mehta; Nawab Sir Muhammad Akbar Hydari; Sir Mirza Muhammad Ismail; Mr. E. C. Bentham; Mr. A. H. Ghuznavi; Mr. M. R. Jayakar; Mr. N. M. Joshi; Dr. B. S. Moonjee; Sir A. P. Patro; Sir C. P. Ramaswami Aiyar; Sir Tej Bahadur Sapru; Dr. Shafaat Ahmed Khan; Capt. Sher Muhammad Khan; Rao Bahadur Srinivasan; Sardar Sahab Sardar Ujjal Singh and Mr. Zafarullah Khan.

Terms of Reference

The terms of reference of the various committees as enumerated above, are outlined in the letters from the Prime Minister to the chairman of those committees.

Franchise Committee

The Prime Minister's letter to the Marquis of Lothian, Chairman of the Franchise Committee, dated 29, 1931 says:—

I have to communicate to you the wishes of His Majesty's Government as to the investigation to be undertaken by the Franchise Committee, whose appointment was foreshadowed in paragraph 15 of the statement which I made to the Round Table Conference on December last. To your committee His Majesty's Government look for complete and detailed proposals on which to base the revision of the franchise and the arrangement of constituencies for the new legislatures, central and provincial, which are to form part of the constitution envisaged in the statement to which I have referred, and since upon these detailed proposals must largely depend the size and the actual composition of the legislatures, His Majesty's Government hope that your committee will be in a position in due course so to frame their proposals as to present a complete and detailed scheme for the composition of each of the provincial legislatures and of the federal legislature.

It is apparent, however, that until decisions have been taken upon certain questions of principle which still remain unsettled, your committee will not be in a position to draw up such a plan in its entirety. My present purpose is, therefore, to indicate the lines upon which you should approach your task in the immediate future.

You are aware that the present electorate in the Indian provinces amounts to less than 3 per cent. of the population of the areas returning members to the provincial councils, and it is obvious that under this limited franchise the majority of people and many large and important sections of the community can enjoy no effective representation in the legislatures. The principle of a responsible federal Government, subject to certain reservations and safe-guards, has been accepted by His Majesty's Government, while it has been decided that Governors' provinces are to become responsibly governed units, enjoying the greatest possible measures of freedom from outside interference and dictation in carrying out their own policies in their own sphere. In these circumstances, it is clearly necessary so to widen the electorate that the legislatures to which responsibility is to be entrusted should be representative of the general mass of the population and that no important section of the community may lack the means of expressing its needs and its opinions.

Your committee will of course give full weight to the report of the Franchise Sub-Committee of the Round Table Conference and the interesting discussions held by that sub-committee on the questions submitted to it. As the form of the new central or federal legislature had at the date of its deliberation not yet been decided, the sub-committee found it impossible to make suggestions regarding a suitable franchise system for it, and their discussions referred primarily to the provincial electorate. It was generally held that adult suffrage was the goal which should ultimately be attained, but the majority of the sub-committee considered that it was only practicable to reach that goal by stages, though it was agreed that the basis of franchise could forthwith be broadened and that a large increase was desirable. The sub-committee recommended with some dissentients 'the immediate increase of the electorate so as to enfranchise not less than 10 per cent. of the population, and indeed a larger number, but not more than 25 per cent. of the total population, if that should, on full investigation, be found practicable and desirable.' They also recommended that, in view of the practical difficulties of enlarging the electorates to an extent which would give direct representation to a larger section of the population, consideration should be given to the introduction of a scheme by which all adults not entitled to a direct vote would be grouped together in a primary group of about 20 or in some other suitable manner for the election of one representative member of each group who would be entitled to vote in the provincial electorates either in the same constituencies as directly qualified voters or in separate constituencies to be framed for them.

It is the wish of His Majesty's Government that your committee should consider in the first place what extension of franchise for the provincial legislatures is desirable and administratively feasible, and the possibility of supplementing direct representation by a system of group representation or otherwise, and your enquiry will doubtless be so conducted as to elicit information which will enable you to frame proposals for electorates, constituencies and methods of election which will be required to produce a federal legislature of the type indicated in the third report of the Federal Structure Committee.

I need not recapitulate in detail the suggestions of the Franchise Sub-Committee of the Round Table Conference regarding the various matters which arise in connection with the publication for franchise, the removal of disputes between urban and rural enfranchisement, the desirability or otherwise of giving each community a voting strength proportionate to its numbers, the extension of the existing military service qualification and the introduction of a new educational qualification. These questions and others will doubtless come under the notice of your committee and will receive due consideration. But I desire to say that His Majesty's Government attach special importance to the question of securing a more adequate enfranchisement of women than the existing system, which applies to women the same qualifications as to men and has produced a women's electorate numbering less than one-twentieth of the total male electorate. Your committee should also consider by what methods the representation of labour can most effectively be secured.

It is evident from the discussions which have occurred in various connections in the conference that the new constitution must make adequate provision for the representation of the depressed classes and that the method of representation by nomination is no longer regarded as appropriate.

As you are aware, there is difference of opinion whether the system of separate electorates should be instituted for the depressed classes and your committee's in-

vestigations should contribute towards a decision of this question by indicating the extent to which the depressed classes would be likely, through such general extension of the franchise as you may recommend, to secure the right to vote in the ordinary electorates. On the other hand, should it be decided eventually to constitute separate electorates for the depressed classes, either generally or in those provinces in which they form a distinct and separate element in the population, your committee's inquiry into the general problem of extending the franchise should place you in possession of facts which would facilitate the devising of a method of separate representation for the depressed classes.

As regards the general question of the maintenance, modification or abolition of the existing system of separate communal electorates I can only draw your attention to the observations which I made upon this matter in paragraphs 12 and 13 of the statement which I made to the conference on Dec. 1 and in my speech in the House of Commons in the debate upon that statement on Dec. 2. It is not of course, the function of your committee to attempt a settlement of the communal problem, but it is clear that the question of communal electorate and the connected question of the apportionment of seats in the legislatures to the several communities must be settled before your committee can be asked to undertake the task of preparing a detailed scheme for the composition of the legislatures and for the arrangement of constituencies upon which they are to be based. As you are aware, the Government are deeply anxious that the settlement should be by agreement amongst the communities themselves. Meanwhile, I recognise that even the present phase of your enquiry may be hampered if you are not in possession of a provisional working hypothesis. His Majesty's Government desire your committee, therefore, to proceed, in so far as you may find that the absence of such an assumption would preclude you from arriving at conclusions, on the assumption that separate communal electorates will continue to form a feature of the new constitution.

The various provincial Governments have during the last twelve years accumulated a store of experience of the working of the existing electoral machinery which should prove invaluable to your committee, and His Majesty's Government desire that this experience should be made available to you through the provincial committees constituted in each province by the local Government which, while being composed in the main of non-official representatives, would each contain a member or members with official experience of these matters and to which the official records of each Government would be made available. I trust that your lordship will take early steps to place yourself in touch with the local Governments and with their provincial committees and will guide their inquiries by questionnaire or such other means as you deem suitable on lines which will enable you to co-ordinate their efforts and to bring the provincial committees into cooperation with your own committee in the formulation of your proposals.

I should add that if, as seems probable, you find it impossible to complete your inquiry during the present cold weather, you will no doubt consider, in the light of the progress made in your first tour, whether an interim report on the points upon which you may have been able to reach provisional or final conclusions will not serve to expedite the progress of the general inquiry of which your committee's investigations form part.

Federal Finance Committee

The Prime Minister's letter to the Rt. Hon. Lord Eustace Percy, Chairman of the Federal Finance Committee, dated Dec. 22, 1931, says :—

On behalf of His Majesty's Government I have to state, for the information and guidance of yourself, as chairman of the Federal Finance Committee, and of your colleagues, the object for which the committee has been constituted and to indicate the matter on which it is required to report.

As you are aware, a sub-committee of the Federal Structure Committee was appointed under the chairmanship of Lord Peel to examine the question of federal finance, and the principles embodied in the report of that sub-committee were endorsed by the parent committee as a suitable basis on which this part of the constitution should be drafted. It is, thus, upon the report presented by Lord Peel's committee that the Labour of your committee will be based, but you should observe that the recommendation embodied in that report regarding the functions of the expert committees were modified by the Federal Structure Committee. By far the

most important task to be undertaken by your committee will be to subject to the test of figures the suggested classification of revenues and to estimate the probable financial position of the federal and provincial Governments under the proposed scheme.

On the estimates so prepared it will be the duty of your committee to advise as to the adjustments, if any, which should equitably be made between the federal Government and the provinces. Difficult as this would be if conditions were normal, His Majesty's Government realise that at a time when the Indian Budgets, both central and provincial, have been thrown so completely out of gear, the difficulty of the task is immensely increased. Nevertheless, as every precaution must be taken to ensure, so far as possible, financial equilibrium in the new Government in India, this examination must be made as it is essential that the best advice on this vital question should be available before the relevant portion of the constitution is drafted.

In addition to its main work, your committee will also be required to examine and advise on a number of other connected matters referred to in the reports of Lord Peel's committee and of the Federal Structure Committee, of which I may mention the treatment of pre-federation debts, the powers of taxation, the new sources of revenue, the treatment of provincial contributions if contributions be found necessary, the emergency powers of the federal Government, the borrowing powers and the division of the pension charges.

States Enquiry Committee (Financial)

The Prime Minister's letter to the hon. J. C. C. Davidson, Chairman of the States Enquiry Committee (Financial), dated Dec. 16, 1931, says :—

On behalf of His Majesty's Government I have to state, for the information and guidance of yourself, as chairman of the Indian States Enquiry Committee (Financial), and of your colleagues on the committee objects for which the committee has been constituted and the specific issues on which it is required to report.

In my declaration of Dec. 1 the intention of his Majesty's Government was announced to set up, among other committees, recommended by the Round Table Conference, a committee to explore more fully the specific financial problems arising in connection with certain individual states. The recommendation in question will be found in paragraphs 46 and 47 of the third report of the Federal Structure Committee which dealt with the particular financial problems relating to the states discussed in paragraphs 17 to 20 and 26 of its finance sub-committee's report. An ideal system of federal finance would be one under which all federal units would contribute on a uniform basis to the federal resources. The task of the committee is briefly to determine how far and in what respects the attainment of this ideal is affected by two particular elements in the existing situation: (a) the ascertained existing rights of certain states and (b) certain contributions of a special character which many states are now making or have made in the past to the resources of the Indian Government.

The items, an examination of which by the committee has been specially recommended by the Round Table Conference are, under (a) the varying measures of privilege or immunity enjoyed by certain states in respect of external customs and salt and, under (b), (1) cash contributions and (2) the value of ceded territories.

The issues on which the committee are required to report are accordingly as follows :—(1) to review the origin and purpose of all cash contributions with a view to advising whether they should be immediately reduced or eventually extinguished in the manner contemplated in paragraph 18 of the report of the Federal Finance Sub-Committee or must be regarded as outside the scope of that recommendation as being for special and local purposes or by way of payment for material assets such as land still in the possession of the contributing states: (2) in regard to territories ceded by certain states, which term does not include the leased territory of Berar to the British Government in return for specific military guarantees, (a) to compile a list of such territories, (b) having regard both to the circumstances of the original cession and to the financial and other conditions now obtaining to express an opinion as to whether any financial adjustment should be made in favour of the state concerned as a part of the terms of its federation, and if so, to make specific recommendations; (3) in regard to the varying measures of privilege or immunity in respect of customs and salt enjoyed by certain states, (a) to investigate the position in each state with a view to determining the value of the ascertained

existing rights in question ; (b) to express an opinion as to what compensation it would be worth while for the federal Government to offer in return for the relinquishment of the special privileges which each state now enjoys, or such modification thereof as may appear to the committee to be an essential preliminary to federation. In framing such terms it would be open to the committee to make allowance for any contributions of special value which the states in question might have made or be making to the resources of the Indian Government. In the fulfilment of their task the committee may find some existing facts in the financial or contractual relations between the states and the British Government in India which are not specifically mentioned in their terms of reference, but which have so close a bearing upon matters remitted to them that they cannot in the committee's view be disregarded. It will be open to the committee to take such facts into account in formulating their recommendations.

ADVICE RE. STATES' REPRESENTATION IN LEGISLATURES

Another letter from the Prime Minister to the right hon. J. C. C. Davidson, Chairman of the States Enquiry Committee (Financial), dated Dec. 16, says :—

In continuation of my letter of to-day's date, in which, on behalf of His Majesty's Government I informed you the specific matters on which the Indian States Enquiry Committee (Financial) are required to report, I would invite your attention to the passage in my statement on the first Indian Round Table Conference (CMD 3972 paragraph 16) announcing the Government's intention to afford the princes all possible assistance by way of advice with the object of facilitating an early decision on the distribution among the states of whatever quota may be agreed upon for their representation in the legislature. Though the functions assigned to the committee are restricted to the sphere of finance, His Majesty's Government are impressed with the great and valuable opportunities which the committee will enjoy of coming into contact with the rulers and their ministers throughout India. They accordingly desire that the chairman should throughout the committee's tour do his utmost by way of informal conversations to afford to the princes (especially those who have not taken part in the discussions in London) all possible assistance by way of advice in the matter of their representation in the federal legislature.

The Federal Finance Committee Report

The report of the Federal Committee of the Round Table Conference was released for publication on May 7, 1932. The following are extracts from the report :—

The most important task entrusted to the committee was to subject to the test of figures the suggested classification of revenue and to estimate the probable financial position of the Federal and Provincial Governments. It was also asked to advise as to the adjustments, if any, which should equitably be made between the Federal Government and provinces on the basis of its estimates. The other subjects which the committee was asked to examine and advise upon included the treatment of the pre-federation debt, powers of taxation, new sources of revenue, the emergency powers of the Federal Government, borrowing powers, and the division of pension charges. Our first step has been to prepare a forecast of the revenue and expenditure of the Federal Government. For this purpose we have been furnished by the Government of India with the fullest materials bearing on all heads on revenue and expenditure, but we alone have been responsible for bringing them together in a combined forecast. The forecast which we give below must not, therefore, be taken as necessarily representing the views of the Government of India.

While we have scrutinised each head of the revenue and expenditure in detail, we recognise that, taking each head by itself, the possible margin of error is very wide. Taking all heads together, however, we consider that, on the general assumptions made by us, our estimate fairly represents the probable financial position of the Federal Government in the early days of federation. It has also to be remembered that our revenue forecast throughout has, generally speaking, been based on the rates of taxation imposed by the First Finance Act of 1931 ;

that is to say, we have not taken into account the special surcharges of customs, income-tax and salt at present in force. This is an assumption which in all the circumstances, we feel obliged to make, but we do not wish to be understood to be expressing the view that the present level of taxation ought necessarily to be reduced. On the contrary, we think it might be wise to regard some at least of these surcharges as a possible reserve.

In the following Table we have, for convenience, given net figures as far as possible on either side of the budget, and items relating to the Chief Commissioner's Provinces and Centrally Administered Areas have been grouped so far as the complications arising from their connection with the Central Government permit. We have assumed that Burma will be separated from India, and have estimated the results of this change on such materials as are available; but, apart from this and the transfer of the Provinces of expenditure on their own accounts and the audit, we have not allowed for the effects of future constitutional changes. Thus, income-tax revenue is included in full and also the State contributions, and no provision is made for any additional expenditure directly due to the establishment of a federal system.

TABLE I. *The Federal Forecast*

REVENUE		(Rs. lakhs.)
<i>Customs</i>		51,20
Collection		90
Net		50,30 50,30
<i>Salt</i>		6,70
Expenditure		1,15
Net		5,55 5,55
<i>Opium</i>		78
Manufacture		73
Net		05 05
<i>Railways</i>		5,60
<i>Currency and Mint (Net)</i>		3,80
<i>Miscellaneous:</i>		
Ordinary		1,66
Reparation		30
Total		1,96 1,96
<i>States Contribution</i>		74 74
<i>Income-taxes</i>		18,00
Collection		80
Net		17,20 17,20
<i>Total Revenue</i>		84,60
EXPENDITURE		(Rs. lakhs.)
<i>Debt. Services :</i>		
Interest (Net)		11,25
Sinking Fund		5,50
<i>Post and Telegraphs (Net)</i>		Nil
<i>Military Budget (Net)</i>		47,00
<i>Frontier Watch and Ward</i>		1,70
<i>Civil Administration</i> including Territorial and Political		
Pensions but excluding other pensions and cost of		
collecting revenue, and allowing 60 for provincialisation		
of accounts and audit		6,85
<i>Pensions</i>		2,65
<i>N. W. F. P. Subvention</i>		1,00
<i>Civil works</i>		1,66
<i>Chief Commissioners' Provinces and Central</i>		
Areas		2,86
Revenue		1,31
Net		1,55 1,55
<i>Total Expenditure</i>		80,10

SURPLUS : 4,50

Our next task has been to attempt to forecast the financial position of the Provincial Government on a similar basis. Here we have had before us actual forecasts of provincial budgets for the year 1933-34 to 1937-38. After a careful scrutiny of these forecasts in consultation with the representatives of the Governments concerned, we think that, on the same basis as we have adopted for our federal forecast, and allowing for the transfer of liability for accounts and audit, the figures in the following Table approximately represent the probable future position of each Government.

TABLE II. *The Provincial Forecast*

Province	Surplus (+) or Deficit (—). (Rs. lakhs.)
Madras	—20
Bombay	—65
Bengal	—2,00
United Provinces	+ 25
Punjab	+ 30
Bihar and Orissa	—70
Central Provinces	—17
Assam	—65

The contrast between our estimates for a federal surplus and for an aggregate provincial deficit of a considerable amount is partly accounted for by the fact that provincial sources of revenue are, for the most part, comparatively inelastic and cannot be expected to respond as quickly as central revenues to a recovery in economic conditions.

In arriving at these figures we have assumed that commercial stamps will not be federalised. We have also assumed, in making our estimate for Bombay, that Sind will be constituted into a separate Province without any subvention from the Presidency Government, and that the separation will result in a net saving to Bombay of between 90 and 100 lakhs; and we have also taken into account the financial separation of Aden from Bombay. We refer in Section V to the effect on federal finances of the separation of Sind. The financial position of the North-West Frontier Province has already been investigated by the Government of India and its deficit is represented by the subvention included in Table I.

EXCISE

In compiling the forecasts which were placed before us, the Provincial Government have, generally speaking, assumed that the present economic depression will continue, or least that recovery from it will be slower than we have assumed for the purposes of this Report. We have revised the revenue forecasts generally to correspond with our own assumptions and have, in particular, increased to some extent the estimates of excise revenue. Even so, the estimates of receipts from excise on country liquor are, we think, still very low and appear to reflect, in varying degrees, a deliberate policy tending to reduce or even extinguish the source of revenue. It would be beyond our competence to enter into the merits of that policy, but the evidence submitted to us seems to indicate that, in pursuing it, the Provincial Government are sacrificing revenue without effecting a corresponding restriction of consumption. The decline in revenue appears to have been accompanied, almost everywhere, by an increase in illicit distillation. It will, we think, be generally agreed that a Province which deliberately foregoes revenue in this manner cannot fairly ask for special treatment in the distribution of income-tax at the expense of other Provinces.

EXPENDITURE

We have not taken into account the possibility of economies other than those already adopted by the Provincial Governments. Some further retrenchments may be possible within the frame work of the existing administrative system; but, in view of the economies recently effected by Provincial Governments, it would probably be unsafe to suppose that further savings of this kind, effected during the next three or four years, will do more than balance any increased expenditure directly due to the introduction of the new reforms. Substantial reductions in existing expenditure could only be brought about by a comprehensive reorganisation of the

system of administration. Measures of this kind are possible; they are being actively considered by at least one Provincial Government, while another has appointed a special Retrenchment committee for this purpose; but we have not felt able to make any definite allowance for the effect of such re-organisation.

These remarks have a special application to Bengal. After making the same adjustments in the revenue estimates of Bengal as we had made in those of other provinces, we found that the Bengal Government was still anticipating a permanent deficit equal to about three-fifths of any share in the total proceeds of income tax which can fairly be claimed by the Presidency, and about one crore more than it can hope to receive out of those proceeds in the early year of federation, except by special treatment at the expense of other Provinces. We fully appreciate the difficulties through which Bengal is now passing, but we cannot believe that the Bengal Government and Legislature have no means at their disposal, whether of economy or of increased taxation, to reduce a deficit of this magnitude; and, in the hope that measures will be devised to meet the situation, we have felt justified in reducing the anticipated deficit by about 40 lakhs. As we shall show later, it is probable that even the deficit which we have accepted for the purpose of our estimate can only be wiped out at the expense of other Provinces, and even so the Presidency would be left with no margin for financing new policies.

GENERAL FINANCIAL POSITION OF THE PROVINCES

These considerations lead us to add a general warning. Our anticipations of normal provincial revenue and expenditure in the early years of federation do not, and cannot, take account of what may happen during the period before the Federation is established. Our estimates show that, on the basis of their present revenues, most of the Provinces will be in a difficult position at the outset of federation, even if they balance their budgets during the intervening period and carry over into federation only the liabilities which they have already incurred, including those in respect of budgets deficit up to March 31, 1932. If, during the intervening period, they continue to accumulate deficits year by year, the position will become quite unmanageable, and the prospects of real provincial autonomy will *pro tanto* be endangered. We realise the special difficulties which confront each Province, but we cannot refrain from observing that Bihar and Orissa, which has certainly not the least difficulties to contend with, hopes to balance its budget for 1932-33 at the cost of severe retrenchment in all its services. If, as we hope to show, the Provinces can be provided with a substantial addition to their revenues when the proceeds of income-tax begin to be distributed, it is of the utmost importance that they should make, during the intervening period, the sacrifices necessary to enable them to take full advantage of the prospective improvement in their position. Otherwise, the additional expenditure required to provide for the service of further loans, taken to cover deficits, may mortgage the new revenue to such an extent that in many cases provincial autonomy would start under the most unfavourable conditions.

We regard it, therefore, as essential that the Government of India and the Local Government should give this matter their immediate attention, and should endeavour to concert measures to secure equilibrium in the Provinces during the intervening period.

It is hardly necessary to add that our forecast of federal finances depends upon the assumption that the Government of India, too, will find it possible to pursue, in the intervening period, a policy which will not jeopardise the initial federal surplus anticipated by us. Indeed, it will be apparent from the latter sections of our Report that the surplus we anticipate is itself inadequate, and the Government of India may well have to consider how that surplus can be not only realised, but increased.

REVENUE

From our examination of the probable financial position of the Federation it seems clear that the transfer of all income-tax receipts to the manner contemplated by the Peel Committee would leave the Federal Government with a large deficit; and as that deficit would be out of all proportion to any possibilities of retrenchment, we must turn, as previous committees have turned, to the examination of possible new sources of revenue, federal or provincial.

(1) FEDERAL

(a) *Excise on Tobacco*.—The present position in regard to this tax appears to be that a substantial revenue may be expected from a system of vend licenses and fees, but that an excise duty imposed in the near future could not be relied on to yield a substantial revenue. There is general agreement that such a duty could not be imposed on the cultivator, and it is doubtful whether a duty on the manufactured product could be successful while manufacture continues to be so largely carried on in small establishments and even as a domestic industry. Vend licenses and fees can obviously be imposed only by the Governments of the Units, and their imposition by the Provincial Governments is now being encouraged by the Government of India. The difficulties in the way of a federal excise may be overcome in course of time, but it would be unsafe for us to rely on this in the near future.

(b) *Excise on Matches*.—The imposition of an excise duty on matches is already under active consideration and we feel justified in contemplating the existence of such a duty from the outset of federation. We are advised that the probable net yield of the tax for all-India at a reasonable rate, with due allowance for reduced consumption, would be about 3 crores of which at least 2.50 crores would be raised in British India.

(c) *Other Excises*.—It is possible that other excise duties may occupy an important place in the fiscal policy of India in the future, but we do not feel warranted in relying upon the introduction of such measures in the early years of federation.

(d) *Monopolies*.—We have examined the suggestion, made at the Round Table Conference, that federal revenues should be augmented by a few selected monopolies. From the fiscal point of view it is only in very special circumstances that a monopoly, whether of production, manufacture or sale, is to be preferred to an excise duty as a means of raising revenue. Except in so far as the proposals already noticed in regard to tobacco may be regarded as a monopoly, we can suggest no new commodity to which the monopoly method could be applied with advantage. The manufacture of arms and explosives, which has been suggested as a possible monopoly, is already subject to license. Public utility monopolies stand on rather a different footing; but the only new federal monopoly of this kind that has been suggested to us is broadcasting, the revenue from which must be entirely problematical.

(e) *Commercial Stamps*.—In the Peel Report it was observed that "There is much to be said for federalising Commercial Stamps on the lines of various proposals made in the past," but no definite recommendation was made. We have examined this suggestion, but on the whole we cannot recommend it at least as an immediate measure.

The yield of certain stamp duties which might be placed in this category was, in 1930-31, slightly more than one crore. This was a sub-normal year, and the normal yield should be somewhat higher. In 1930-31 about 40 per cent. of the yield was received by Bombay (one-eighth of this being attributable to Sind), 27 per cent. by Bengal and 12 per cent. by Madras. The loss of revenue resulting from the federalisation of these duties would therefore be unevenly distributed, and their federalisation would not ease the problem of distributing income-tax.

Further, there are obvious difficulties in the way of separating stamp duties into two classes, commercial and noncommercial. It could only be done by means of a schedule, and a large element of purely arbitrary selection would be involved. The simple constitutional solution would be to class all stamp duties as provincial sources of revenue.

We have given some attention to the question, considered by the Federal Structure Committee, whether the provincial Governments should be given power also to fix the rates of duty on all stamps, or whether legislation on this subject should be reserved, wholly or partially, to the Federal Government. We suggest that the Federal Government should retain the power to legislate on behalf of the Provinces in regard to those stamp duties which are the subject of legislation by the Central Government at the date of federation. The duties which are now the subject of central legislation are those on acknowledgments, bills of exchange, share certificates, cheques (not now dutiable), delivery orders in respect of goods, letters of allotment of shares, letters of credit, insurance policies, promissory notes, proxies, receipts and shipping orders. We understand that proposals have been under consideration for adding other duties to this list, and would suggest that, if any

such additions are contemplated, they should be made before the establishment of the Federation.

We ought to add, in this connection, that difficulties already arise in estimating the share of each Province in the proceeds from the sale of postage stamps for use of taxed documents ; and these difficulties may be expected to lead to considerable friction with the Provincial Governments unless a more satisfactory system can be devised.

Finally, in proposing that the proceeds of commercial stamps should be assigned to the Units, we have to some extent been influenced by a doubt whether the problems arising from the imposition of federal stamp duties in the state might not be disproportionate to the revenue involved. We do not, however, wish to prejudge the possibility that, as part of the general federation settlement with the States, it might be found desirable to include these duties among the sources of federal revenue. This consideration might well outweigh the reasons which have led us to recommend that commercial stamps should not be made a source of federal revenue.

(f) *Corporation Tax*.—From the financial point of view it seems clear that, if a corporation tax were imposed on companies registered in the States on the same basis as the present super-tax on companies in British India, the yield at present would be negligible.

(II) PROVINCIAL

(a) *Taxation of Tobacco*.—We have already dealt briefly with this question and have suggested that the taxation of tobacco, otherwise than by excise on production or manufacture, should rest with the Units, but that the Federal Government should be given the right to impose a general federal excise. This distinction is, we think, justified by the fact that *ex hypothesi* the introduction of excise duties on manufacture will be difficult, if not impossible until manufacture becomes more highly industrialised ; and as that development takes place an excise levied at the factory by one Unit of the Federation would be a tax on consumers in other Units. It will be seen from our later proposals in regard to powers of taxation that the federalisation of tobacco excise would not preclude the Federal Government from assigning the proceeds to the Units, if it so desired.

There is, unfortunately, no material which would enable us to estimate the yield of any of these forms of taxation. The provincial taxes will take sometime to mature, but eventually they may be expected to form at least a very useful additional source of provincial revenue.

(b) *Succession Duties*.—Bombay is, we believe, the only Provincial Government which has attempted legislation for the imposition of succession duties and the attempt was unsuccessful. We understand that even that Government would have preferred that legislation should have been undertaken by the Government of India. We propose elsewhere that succession duties should be classed among taxes leviable by the Federal Government for the benefit of the Units ; but clearly the facts would not justify reliance on them as a source of revenue in the near future.

(c) *Terminal Taxes*.—We have been asked to weigh the issues which arise from the proposal to introduce terminal taxes generally as an additional source of revenue for the Provinces. As the arguments for and against this proposal have been so fully set forth in previous reports it scarcely seems necessary to restate them here. The feature of such taxation which has impressed us most seriously is its operation as in effect, a surcharge on railway freights. Where municipal octrois are in force, there appears to be a tendency to substitute for the general levy of dues on all goods entering the municipal countries the simpler alternative of a terminal tax collected at the railway station and there is already a danger that this habit may result in diversion of traffic to the roads. We therefore recommend that, if terminal taxes are to be regarded as a permanent part of the financial structure, they should be imposed by the Federal Legislature for the benefit of the Units. Such terminal taxes as are already in existence (mainly as municipal taxes) will fall into much the same category as other taxes classed as federal which, at the time of federation, are being levied by certain Units ; but though it may be necessary for this reason to authorise the municipalities and Provinces concerned to continue to raise these taxes, they should be allowed to do so only within limits laid down by the Federal Legislature. Assam and Bihar and Orissa are the two Provinces which having few or no municipal taxes of the kind at present, are most desirous of deriving provincial revenue from this source. While we do not rule out

the possibility of terminal taxes in these two Provinces and elsewhere as a temporary expedient, in view of the practice which has grown up in various parts of India, we are not prepared to regard terminal taxes as a normal source of revenue.

Taxation of Agricultural Incomes.—We have not considered the broad issues of policy involved in the taxation of agricultural incomes, but we have considered, as we were commissioned to do, the more limited question of 'the possibility of empowering individual Provinces, if they so desire, to raise, or appropriate the proceeds of, a tax on agricultural incomes.' In view of the close connection between this subject and land revenue, we agree that the right to impose such taxation should rest with the Provinces. For the same reason, we think that this right should be restricted to the taxation of income originating in the Province concerned. There will presumably be no difficulty in drafting into the constitution a definition of agricultural income which has so long been recognised in Indian income-tax law and practice.

We are not prepared to express a final opinion as to whether agricultural and non-agricultural income should be aggregated for the purpose of determining the right of the assessee to exemption and the rate of taxation to which he is liable on either section of his income; and we doubt whether any provision need be inserted in the constitution on this point since we are advised that, in practice, it would scarcely be possible for either the Federal or a Provincial Government to take into consideration income not liable to taxation by it, except with the consent and co-operation of the other Government.

(III) CONCLUSION

In this survey of possible sources of additional revenue, we have deliberately left out of account the question whether or to what extent it would be possible to increase the yield of existing taxes. We have confined ourselves to an examination of new sources, and in this field the results of our survey are not encouraging. In the Federal sphere, the excise on matches is the only tax which we feel justified in taking into account as an immediate reinforcement of federal revenue. With this reinforcement, according to our figures, those revenues would yield a surplus of about 7.50 crores, including the whole proceeds of taxes on income as federal revenue and if the whole revenue from the new excise were paid into the federal fisc, or about 7.00 crores if only its yield in British India were taken into account. In what follows we take the latter figure, without prejudging the issue whether the excise duty on matches should be a federal tax in the full sense of the term.

DEBT, PENSIONS AND 'CENTRAL CHARGES'

Before considering what settlement can be effected with the Provinces on the basis of the figures which we have arrived, we have to examine whether the whole of the pre-federation debt will be covered by assets to be taken over by the Federal Government, how pension charges should be allocated, and whether any other part of the expenditure of the Federal Government should be regarded as expenditure on non-federal services, *i.e.*, as a 'central charge.'

(1) PRE-FEDERATION DEBT

The valuation of the assets to be taken over by the Federal Government is a matter rather of judgment than of strict fact-finding in view of the uncertainty as to the basis of valuation which should be adopted. Valuation cannot, in all cases, proceed on a purely *commercial* basis—that is to say, on an estimation of earning capacity—for although the accounts of some departments have been commercialised, some of them are not administered for the purpose of profit.

We are driven, therefore, in the case of the commercial departments, to adopt as our basis of valuation the *capital* shown as debited to those departments in the statement of the public debt of India; and in all the circumstances, this seems to be a reasonable basis. On March 31, 1931 (the date to which the following statistics refer) this figure stood at 7,67,63,17 lakhs. Adding to it the interest earning debts due from the Provincial Governments (1,51,82,53 lakhs) as well as other interest-earning advances (19,45,18 lakhs) we reach a total of 9,38,90,88 lakhs. The sums outstanding in respect of the commutation of pensions (1,89,95 lakhs) would bring this total to 9,40,80,83 lakhs.

We now deal with the other state property which the Federal Government will inherit. Such assets, though in some cases yielding a return in the form of rents, and in others enabling Government to avoid expenditure charged to revenue which otherwise would have to be incurred, cannot be valued on any commercial basis, as they represent, to a large extent, dead assets. Nevertheless they must be taken into account, as without them Government could not properly function. Complete lists of state property falling into this category do not exist, nor is information available in all cases as to the original cost or book value. In the case of New Delhi and the Bombay Military Lands, the figure of the cost (19,88,38 lakhs) can fairly be accepted in view of the recent date of the transactions; and, for present purposes, we take the book value (87,44,00 lakhs) for all the civil and military properties and other miscellaneous items which find a place in such registers as are maintained, although in our judgment, the book value of several items understates the real value. The lists, however, are very incomplete; and no account is taken of such assets as forests, most of the military lands, Royal Air Force buildings and landing grounds, certain stores, plant of the Public Works Department, furniture, libraries and museums, nor, of course, of roads and bridges. The original cost or the replacement value of these properties must be very large indeed; but we have no materials on which we can form even an approximate estimate of the amount involved.

The total value, therefore, of the identifiable assets to be taken over by the Federal Government which we have considered so far amount to 10,48,13,21 lakhs which taking into account the numerous items for which no data are available.

There is still another identifiable portion of the public debt of India associated with another class of assets. Following the return of large numbers of silver rupees from circulation in recent years, a portion of the silver holding in the Paper Currency Reserve has been sold. These sales have created a gap in the Reserve amounting to the difference between the nominal value of the rupees melted down and the price realised for the silver. This gap might have been built up in the past from the profits of coinage. Instead of this procedure being followed, *ad hoc* Treasury Bills were created and placed in the Paper Currency Reserve. This portion of the public debt of India is therefore associated with currency assets (including in this term the Gold Standard Reserve) which are not being taken into account as assets for the purposes of our calculations. As the Federation will, either directly or through a Reserve Bank, take over these assets, it is right that it should also assume responsibility for this portion of the public debt. The loss on the sale of silver up to March 31, 1931, amounted to Rs. 14,97,81 lakhs. Had this loss been met from the Gold Standard Reserve, the currency assets to be taken over would not have existed. Adding this item, the total value of the identifiable assets is increased to 10,63,11,02 lakhs.

Turning, now, to the amount involved if the whole of the pre-federation liabilities were assumed by the Federal Government, we have ascertained that the debt position of the Government of India on March 31, 1931—the latest date for which actuals are available—was as follows :—

	Lakhs Rs.
Interest-bearing liabilities	11,87,47,85
Non-interest-bearing liabilities	29,89,28
	<hr/>
	12,17,37,13
Less liquid assets	34,69,96
	<hr/>
Total liabilities	11,82,67,17
	<hr/>

Interest bearing liabilities include not only loans sterling and rupee and Treasury Bills held by the public and in the Paper Currency Reserve, but also the balance of the War Contribution, Railway Debenture, Stock and Railway Annuities, Post Office Savings Bank deposits, Cash Certificates, Provident and certain Family Pension Funds, Depreciation and Reserve Fund and interest bearing provincial balances. Non-interest-bearing liabilities of a liquid nature include a variety of items, such as, deposits and provincial balances which do not bear interest, the amounts due to certain non-interest-earning funds, uncashed cheques and accrued discount of Treasury Bills; while liquid assets include cash balances, repayable advances and the sinking fund investment account for certain loans.

In the above statement the public debt has been taken at its nominal figure. This debt carrying as it does an over-all rate of interest of 4.25 percent, might for the purpose of assessing the present day capital liability, not unreasonably be written down on a 5 per cent. basis by something like 170 crores ; or viewing the matter in another way, if their redeemable loans raised at 3½, 3 and 2½ per cent, were reassessed on the same basis, the figure of indebtedness would be reduced by about 145 crores.

Having regard to this and to the fact that our figure of 10,63,11.02 lakhs takes no account of a large and valuable block of assets, we do not hesitate to report that, if the Federal Government assumed responsibility for the whole of the pre-federation debts, its obligations would be covered by the assets also taken over. It will also be evident from other parts of our report that the service of the debt will be fully covered by the sources of revenue which will remain at the disposal of the Federal Government.

We are satisfied that, if Burma is separated from India, a division of the liabilities and assets somewhat on the basis suggested in the Howard-Nixon memorandum will not, so far as the future Federation is concerned, have any invalidating effect on the conclusion at which we have arrived.

(II) CIVIL PENSIONS

The existing civil pension charge can be classified as follows :

	Approximate cost in 1930-31 Lakhs Rs.
(1) Political and Territorial Pensions	32
(2) Pensions paid in respect of members of contributory funds now closed	67
(3) Pensions paid in respect of members of the I. C. S. Family Pension Fund and the Bengal Pilot Service Fund	8
(4) Ordinary Pensions including miscellaneous adjustments	1,66
	<hr/> 2,73 <hr/>

Of these, the first are not pensions in the ordinary sense of the term, and are clearly a federal charge.

We have now to determine what part of the annual charge for ordinary pensions is properly federal. As explained in detail in the Appendix, pensions awarded since 1st April, 1921, whether paid in India or elsewhere, have been allocated between the Central Government and the Provinces strictly on the basis of the pensioners' service. On the other hand, in the case of pensions awarded prior to 1st April, 1921, while broadly speaking, each Province was made liable for payments to all pensioners resident within its borders, the Government of India accepted responsibility for the payment of all pensions outside India. The present charge in respect of pensions paid out of India is some 80 to 90 lakhs per annum. As indicated in the Appendix we estimate that about five sixths of this is in respect of service in the Provinces. The charge is rapidly falling (it has fallen by roughly 50 per cent. since 1st April, 1921), while, as regards pensions paid in India by the Provinces, there appears to be no need for re-allocation.

The conclusion, then, is that, at the beginning of federation, there will be a rapidly declining non-effective liability in respect of ordinary and family pension which is not likely to exceed 80 or 90 lakhs per annum. This liability should theoretically, be apportioned between the various Provinces. Such an allocation, even if the necessary records exist, would however involve an expenditure on labour out of all proportion to the theoretical improvement in the presentation of the true position. It seems clear that the Federal Government will in effect retain out of the proceeds of income-tax paid only in British India a much larger sum than the annual liability for pensions which are properly a charge against British India alone, at least for so long as such liability is of sufficient magnitude to be worthy of consideration. We therefore recommend that no attempt be made to show this 'central' liability of some 80 or 90 lakhs as a separate item in the superannuation charges (of some thing over 2½ crores per annum) which will appear in the federal budget.

(III) "CENTRAL CHARGES"

If our recommendations as to debt and pension are accepted, we feel justified in assuming that no section of opinion in India is likely to think it worth while to separate out of the federal budget such minor items of expenditure as may at the present moment, be held to be incurred mainly on behalf of the Provinces. The cost of the Income-tax Department, including pensions of course be treated as a deduction from the yield of taxes on income.

IV. POWERS OF TAXATION

Hitherto, as we have already remarked, the facts which we have found point to the maintenance, in practice, of the *status quo* in matters of taxation as between British India and the States. We have not recommended the raising of new federal taxation for the purpose either of distributing income-tax to the Provinces or of meeting any admitted claims of individual States, whatever these may be. Those who fear the new federal taxation might be necessary for such purposes may perhaps be reassured by the fact that we have been led to this conclusion, not by any preconceived ideas of our own, but by a study of the facts.

Every government working under a fixed constitution must have powers of taxation which are not merely commensurate with its normal functions, but also sufficient to support its credit both at home and among the nations of the world. A government whose revenues are inelastic, or whose powers are so restricted that it cannot maintain a proper balance between direct and indirect taxation, will be in danger of finding that its credit is as inelastic as its revenues and as restricted as its powers are insufficient to avert this danger; the powers required are rather powers for the prevention of emergencies.

The Peel Committee contemplated that the necessary reinforcement of federal revenues might be found in excise duties and in a corporation tax. The arguments in favour of reserving the field of excise to the Federal Government, with the exception of duties on certain classes of commodities, are very strong. They are taxes on consumption which, in economic theory, should not be levied by the government of one unit on the consumers of another. It is also desirable to reserve this part of the field of taxation for the Federal Government, whose finances would otherwise be unduly dependent upon external customs. It will, however, be observed that nearly all the excise duties which would be reserved to the Federal Government under the proposals of the Peel Committee are duties which would in all probability, be imposed only as a set off against a decline of customs revenue resulting from a successful protectionist policy. The only exceptions are the existing duties on petroleum products and the proposed duties on matches and tobacco, and we have reported that the Federal Government may find it impossible to impose a tobacco excise for sometime to come.

One fact which has come out clearly in our investigations is the widespread recognition of the need for uniformity of taxation throughout India in certain heads. It is for this reason that we have already suggested that the Federal Government should retain the power of legislation in regard to certain sources of revenue levied for the benefit of the Units. The allocation to the Federal Government of the power of taxation in these fields in no sense implies that the actual collection of the taxes concerned should necessarily be placed in the hands of federal officers, and it may be worth noting that the collection of the existing duty on petroleum products in British India is carried out by officers in the service of Provincial Governments.

Our suggestion is that the Federal Government should have a general power to impose a surcharge for its own purposes on any tax levied by it in this way for the benefit of the Units. If this suggestion were adopted, it would, we think, be necessary to accord to the Units, on their side, some interest in the proceeds of federal excises and to provide that the Federal Government should be at liberty to assign the whole or any part of the proceeds to them, as may be laid down in the Federal Act imposing the particular duty.

We append three lists of sources of revenue in regard to which the power of legislation should rest with the Federal Government:—

I. Sources reserved to the Federation.

II. Excise Duties.

III. Taxes leviable for the benefit of the Units subject to a right of federal surcharge.

All the rights thus reserved to the Federal Government may, of course, be subject to exceptions in favour of the States, whether in respect of their treaty rights or in

respect of special postal and currency rights, or otherwise. We have not been required to report on the manner in which such exceptions should be embodied in the constitutions or in the treaties with the States, and we therefore only note that our lists must be read with this general qualification.

GRANTS FROM FEDERAL SURPLUSES

The recommendation of paragraph 14 of the Peel Report is that, in the event of the Federal Government's ultimately finding 'that Federal revenues yield an apparently permanent surplus,' it should 'be free, as a possible alternative to the reduction of taxation, to allocate the surplus.' It was thought desirable that 'the constitution itself should lay down the proportions in which funds thus available should be divided among the units.'

It is clear that the situation contemplated by the Peel Committee could not arise until any prescribed process of extinguishing Provincial or State contributions had been completed. If, thereafter, the Federal Government desired to make a general distribution of a part or the whole of any recurring surplus to the Units on some pre-determined basis, we suggest that, as the surplus would arise mainly from taxes on consumption, the distribution should be made on a population basis.

BORROWING POWERS

The Peel Committee expressed the view in paragraph 22 of their report that there must apparently be a constitutional right in a province to raise loans in India upon the security of its own revenues'. We recognise the constitutional propriety of this proposition as well as the political arguments in favour of it, but we are bound to point out its implications. It appears to involve vesting a province with independent power to pledge provincial revenues which as stated in the same paragraph of the Peel Report, form part of the security of the federal debt, and which moreover, form the sole security for the loans made by the Federal Government to the province itself. We attach particular importance to this latter point, for the obligation of the provinces to the Provincial loans Fund have been treated in our report, as in previous discussions on this subject as assets covering an equivalent part of the pre-federation debt. The right of the Federal Government to call for contributions from the Units in case of emergency may perhaps afford some guarantee of the general federal debt, as suggested by the Peel Committee, but it scarcely constitutes a sufficient guarantee of the debts owed by individual provinces to the Federal Government itself. We feel therefore that it is difficult wholly to disregard the considered views of the Finance department of the Government of India expressed in paragraph 42 (3) of the memorandum submitted to the last session of the Round Table Conference.

From the purely financial point of view it would, of course, be desirable that, so long as the security for the pre-federation debt includes the revenues of the provinces, the latter should only be allowed to borrow with the consent of the Federal Government; but if this limitation of provincial autonomy is regarded as politically inexpedient, we suggest that a middle course, based on the distinction between the general debt of the Federal Government and loans made to the Units by the Federal Government, might provide a suitable compromise. We presume that all Units will have a general right to apply to the Federal Government, as the provincial Governments now apply to the Government of India for the loans they require, subject to the Federal Government's being satisfied that they are able to offer adequate security for such loans; and in that case the present Provincial Loans Fund will become a Federal Loans Fund. This being so, we suggest that the Government of every Federal Unit should have the right of independent borrowing recommended by the Peel Committee, subject to a general obligation to give the Federal Governments notice of its intention and an opportunity to offer advice. We doubt whether the power of control, suggested by the Peel Committee, over the time at which a Unit may issue a loan, could be expressed in the constitution in any more definite form than this. If, however, a Federal Unit has loans outstanding with the Federal Government (whether or not such loans were raised before the date of federation), its right of independent borrowing should be regarded as in abeyance, and it should be obliged to obtain the consent of the Federal Government for any further loan which it desires to raise.

The Indian Franchise Committee Report

The Report of the Indian Franchise Committee including qualifying notes and minutes of dissent was published on 3rd. June, 1932. The following is the official summary of the report of the committee:—

To increase the electorate of British India from 7,000,000, to 36,000,000 persons, that is to say, from 5.4 to 27.6 per cent. of the total adult population, is the essence of what the Franchise Committee propose in their Report.

The first volume, which embodies all the Committee's proposals, contains 22 chapters and a number of appendices. Its length is 286 pages. It includes some explanatory or qualifying notes, one minute of dissent, and a rejoinder to the latter by the majority. Two other volumes, containing the memoranda prepared by local Governments and Provincial Franchise Committees, were issued simultaneously.

In the preface it is explained that the Committee was constituted under the Prime Minister's instructions as a result of the recommendations of the Franchise Subcommittee of the Round Table Conference. The Parliamentary members arrived on January 29 and during their tour covered a distance of 7,689 miles and visited every province except the Central Provinces and Assam. Representatives of these two provinces met them elsewhere. Before the Parliamentary members left England a questionnaire was circulated and on this local Governments formulated their views before meeting the Committee; they also appointed Provincial Franchise Committees, mostly under the chairmanship of non-officials, to formulate views independently and to undertake preliminary examination of witnesses. On leaving each province, the Franchise Committee invited the local Government and Provincial Committee to give further consideration to questions that had arisen during the discussions. The Franchise Committee's report therefore represents far more than the work of their own members. Except in the case of one party they had the assistance of all shades of opinion in India and in the case of that party were assisted by the fact that its views were already on public record. Some estimate of the work done may be made from the fact that they examined 311 witnesses, and received directly 187 written statements; in addition the Provincial Committee examined 73 witnesses and received no less than 1,120 written statements for transmission to the Franchise Committee. Although most of the Committee's work was done in the provinces they received assistance from members of the Central Legislature while in Delhi and also from numerous All India associations. The Government of India decided not to meet the Committee as a Government, since they would subsequently have to subject the Committee's report to a critical examination; they, however placed at the Committee's disposal the experience of their Secretariat, members of which gave evidence as witnesses. Since the Committee was debarred under its terms of reference from dealing with the communal problem they have not proposed a detailed scheme for the composition of the legislatures or apportionment of seats, nor worked out representation for the minor minorities. The report nevertheless goes beyond the scope of the interim report which was originally contemplated, since it contains a complete scheme for the basis of the franchise proposals regarding the representation of women and labour, and a provisional allotment of seats for special interest. Once the communal question is settled the apportionment of seats and the delimitation of constituencies should not be difficult.

OBSTACLES TO ADULT FRANCHISE

In the first chapter, the implications of the Prime Minister's letter of instructions are analysed. The second deals at length with the question of adult franchise. Among the arguments enumerated in its favour are that it secures equality of political rights to every adult citizen, that it solves so far at least as the electoral roll is concerned the problem of securing representation of all elements of the population and that its adoption would avoid the necessity for devising special franchises. But for a variety of reasons its introduction in India to-day would be very difficult. First among the numerous administrative difficulties mentioned is the dearth of officials qualified to work it. Nothing could be more injurious to the healthy func-

tioning of responsible government than well-grounded suspicion that the elections were falsified by inefficiency or corruption. The presiding officer must be competent to manage the police, and of such standing as to be above suspicion of abusing his power. As regards non-officials, few would be forthcoming except in urban district, and moreover objections would be liable to be raised against them for political, religious, caste or other reasons. Another difficulty is insufficiency of police. Elections cause excitement and the provision of sufficient police becomes more essential in proportion as the number of electors per polling station increases. The total number of police is about 191 thousands and on this basis if each polling station could deal daily with 1,000 electors, the total number of votes recordable per day would not be more than 25 millions. A further problem would be created by women. Everywhere the necessity of making special arrangements for women voters was urged upon the Committee, and it would be quite impossible to provide the necessary female staff to poll the whole female population. More votes could be recorded if the polling period were lengthened, but as practically all official activities have to be stopped during election time, there are obvious limits to this; moreover, the longer polling lists the more are attempts made to influence voters. There is also the complication that elections both for the Provincial Councils and the Legislative Assembly have to be held on the same days; under complete adult franchise 130 million electors each entitled to cast votes for two different constituencies and candidates would have to be provided for at the same time. Finally the Committee remarks that every one of the provincial Governments and the Provincial Committees not only declared adult franchise to be administratively impracticable but placed the maximum at some figure below 20 per cent. of the total population.

In no country in the world has democracy ever functioned successfully without a well developed party system, and to manage an electorate of 7 millions such as the present is very different from dealing with one of 130 millions which is what adult franchise would involve.

The Committee took evidence regarding the modified form of adult franchise in use in Ceylon, but decided that since Ceylon contains only 6 million people as against 257 million, since communal and other differences here are far more acute, since 50 per cent of the Ceylon population is literate as compared with 8 per cent of the Indian, and since there are proportionately more administrative officers in Ceylon, the experience obtained there is not applicable to India. They conclude that in view of the prodigious difficulties enumerated it would be the course of wisdom and statesmanship not to attempt to launch the new constitution on the basis of adult franchise, but to seek a more manageable basis, and that it will be for the legislatures themselves to determine at what pace the electorate should be further expanded.

MODIFICATION OF ADULT FRANCHISE

In Chapter III five possible modifications of adult franchise are considered. The first is adult suffering by indirect voting. Under this system, which is in operation in Egypt, Turkey, Iraq and Syria, the population would be organized in groups, each primary group would elect from among its own number one or more secondary electors who would form the constituencies for returning members to the legislatures in the ordinary way. Among the objections to this are that it would involve the abolition of the existing direct system, which would be resented; that the primary voters would be unable to judge whether the secondary electors carried out their wishes and that the system would lend itself to jerryandering. The second possible modification is adult suffrage within certain age limits. But apart from the administrative difficulty of determining ages, even so narrow an electorate as one limited to persons aged between 30 and 50 would total over 76 millions. The third is adult franchise for large towns. The chief objection to this is that it would differentiate undesirably as between urban and rural interests. The fourth is household suffrage. But a system which allotted one vote to each household would enfranchise over 50 million people of whom the great majority would be men; moreover since the household is nowhere the unit for revenue purposes, its adoption as the basis of franchise would be administratively very difficult. The fifth possibility is indirect election through local bodies; but this, like the other four, is also rejected, largely because it did not prove successful when in operation between 1910 and 1920, during the period of the Morley-Minto Reforms.

CONTINUATION OF DIRECT AND INDIRECT SYSTEM

Chapter IV is devoted to considering the possibility of working the direct and indirect systems together in the way suggested by the Franchise Sub-Committee of the Round Table Conference. This would seem to combine the advantage of retaining the franchise system India has become used to with some of the advantages of adult franchise, since it would bring the whole population directly or indirectly into connection with the legislatures. But the Franchise Committee's enquiries showed it to be open to serious objections. Firstly, if the groups consisted of 20 or 25 people,—the most favoured size,—no group elector could exercise more than one-twentieth or twenty fifth of the voting power of the direct elector, and would besides have no control over the way the secondary elector casts his vote. Thus the representation obtained for such interests as women, labour and the depressed classes would be very small. Secondly, there would be administrative difficulty in working the system. If local officials took an active interest and the election were kept informal it might function, but should high feeling develop between rival candidates it would be likely to break down. Moreover, if the electoral roll for a general election in November or December were published in July, the group elections would have to take place during the previous cold weather; and to conduct them would involve much extra work several months ahead without placing many more names on the roll. Thirdly, the Committee state that generally speaking the system did not find favour either with officials or non-officials throughout the country, and that every local Government and Provincial Committee is now against it.

Attention is next given to the argument that at the moment when responsibility is being transferred to the legislatures, it would be unwise to extend the franchise at all. Among the points adduced by the Committee against this are that although the majority of villagers may still have little knowledge what elections are about the interest now taken in politics in this country is nevertheless widespread: that the present franchise gives predominance to certain classes: that many literates are not on the rolls; that even if the interests of the new voters are different from the old they will not be markedly less capable of casting an intelligent vote; and that if responsible government in India is to be stable the legislatures must be made more representative of the people. *Since, therefore, the franchise requires to be extended and since complete adult franchise is impracticable and the disadvantages of any indirect scheme greater than its advantages, the Committee concludes that an extension of the direct franchise is the best basis on which to establish responsible government under the new constitution.*

GENERAL PRINCIPLES

The general principles underlying the Committee's proposals are set forth in Chapter VI. In the first place they state that since their task was so to widen the electorate that no important section of the community lacks the means of expressing its needs, they have been more concerned to secure the best practicable distribution of voting power than to enfranchise any preconceived percentage of the population. The point is emphasized that provided each section is fairly represented in proportion to number, there is no reason why a restricted franchise should not express the vital interest of the majority of adults. For example the heads of agricultural families may usually be said to speak not only for themselves but for all members of their family residing with them; women voters act in some measure for their sex trade union; speak for industrial labour: and the same is true of depressed class voters, representatives of landlords, commerce, and so on. The nature of the electoral qualifications proposed for the provincial legislatures is next explained. There are two general qualifications and a number of special ones. The first general qualification is property, which the committee state has from the outset been the main basis of franchise, is already well understood in India and commands general approval. They propose to lower it so as to enrol most of the landholders tenants and urban rent-payers and a considerable section of the poorer classes. The second general qualification suggested is educational, which has the advantage of providing for an automatic extension of the franchise in the future. Different educational standards are fixed for men and women, and for the provincial and federal legislatures. As regards the special qualifications, the first is for women. This is necessary since few women own property, and less women than men are literate. Under the Committee's scheme one-fifth of the electoral roll will consist of women, and means have also been suggested for ensuring that a certain number

of them are returned to the legislatures. In the case of labour, the qualification has been lowered so as to enfranchise large number of the industrial employees in the towns, and provision has been made for their direct representation in the legislatures. The existing representation for commerce and industry, the universities, and the landholders is to be retained but not increased. As it is proposed to enlarge the legislatures to between two and three times their present size, the representation of these special interests will be proportionately less than at present. As regards the depressed classes the Committee explain that the question of their representation in the legislatures is outside the scope of their reference. But they have furnished information as to their numbers, and made proposals designed to secure them substantial representation on the electoral roll. The class for which it is most difficult to provide are the tenants-at-will, the landless labourers and the less prosperous rural craftsmen and artisans. But to some extent they will be represented under the special provisions made for labour and the depressed classes, and in addition numbers of them will be placed on the general roll in certain provinces. *The Committee calculate that the effect of these recommendations will be to place 36 million persons on the provincial electoral rolls and that the proportion of adult males enfranchised will be 43.4 and of adult females 10.5.* The Committee however recognize that as some of the figures on which they have worked are estimates, there may at present be difficulty in appreciating their exact effect; and they point out that the Franchise Sub-Committee of the Round Table Conference emphasized the desirability of giving each community a voting strength proportionate to its numbers. In order therefore that it may be seen whether the ratio of voters to population is discrepant in the case of any one community, they recommend that the electoral roll should be prepared as soon as the new franchise has been approved.

PROVINCIAL FRANCHISE

The eighth chapter, in which the provincial franchise schemes are explained, is far the longest in the report. *For many reasons the recommendation made vary from province to province.* The wide local difference in the percentages of the population now enfranchised would in any case make it difficult to level up to a uniform proportion. In Bihar and Orissa and the Central Provinces the existing electorate is only about one per cent. of the total population, and an immediate increase to 10 per cent. would thus involve an eight or nine fold increase; whereas in Provinces in which the electorate is between 3 and 4 per cent. an increase to 15 per cent. would be proportionately less extensive. Apart from this, in so far as the property qualification is concerned, franchise schemes must necessarily vary in India. Provinces like Bombay, Punjab, the United Provinces and the Central Provinces naturally base their franchise scheme on their revenue system which differ widely from one another. On the other hand, in Bengal and Bihar, where owing to the permanent settlement no similar system is in force some other basis must be found. *The Committee therefore considers,—like the Southborough Committee,—that uniformity of provincial franchise qualifications in neither practicable nor desirable.*

In dealing with each province the Committee first summarise the views of the local Government and the provincial Committee before setting forth their own proposals. The total electorates they suggest are generally higher than those proposed by local Government and in some cases beyond what was stated to be administratively feasible. But they have given careful consideration to the staff available for electoral purposes, and emphasize that far fewer voters will poll than the total number on the register. In estimating the proportion of people whom their proposals will enfranchise in each province they calculate on the basis of total rather than adult population, although this, as is explained in another context, is somewhat misleading, since no country ever enfranchises more than about half its inhabitants.

In the case of Madras, the Committee recommend an electorate of 7,400,000 or about 16 per cent of the total population, of whom 1,700,000 or about 20 per cent. would be women. The Madras Government's scheme, which provided for an electorate of 6,500,000 was worked out with great care and completeness, and the Committee has proposed only comparatively small changes in respect of the women, the depressed classes and educated men. The franchise for the provincial legislature will be practically identical with that now in force for local bodies under the recently amended Madras District Municipalities and Local Boards Acts.

BOMBAY

In Bombay the Committee recommended an electorate of 3,700,000 which is nearly 17 per cent. of the total population as against totals of about 13 per cent. proposed both by the local Government and the provincial committee. About 20 per cent. of the electorate would be women. The committee point out that the Government's scheme does little to correct the existing disproportion between urban and rural electorates, but that since they themselves have added nearly 4 per cent. to the electorate by enfranchising more women and depressed classes they see no means of rectifying the disparity.

BENGAL

As regards Bengal, the Committee indicate that they obtained relatively little assistance from the local Government. The provincial committee originally favoured universal indirect adult suffrage, but the Franchise Committee are convinced that the discontent which would be caused by withdrawing the direct franchise from those who now enjoy it was under-estimated. Nor do they agree that the direct should be supplemented by the indirect system as the Bengal Government propose if the franchise is extended to more than $7\frac{1}{2}$ per cent. of the total population. They see no administrative necessity for restricting the franchise to $7\frac{1}{2}$ per cent. but are handicapped by the Bengal Government having provided no scheme even for the restricted franchise they proposed. The Committee therefore recommend that the Bengal Government, with the help of their report and in those of other local Governments, should prepare a detailed scheme based on the payment of rates and taxes to local bodies with the addition of the upper primary educational qualification for men and the provision for women's suffrage as has been proposed elsewhere.

U. P.

In United Provinces, which the Committee visited twice, the provincial Committee recommended an electorate of 7,200,000 and the local Government one of 7,600,000. The Franchise Committee accepts the local Government's scheme which was based on detailed enquiries in 1,800 typical villages, but would add the upper primary qualification for men. The total, however, need not be increased on this account, since allowance must be made for overlapping in the women's qualifications under the local Government's scheme. The electorate proposed would represent nearly 16 per cent. of the total population, and the women's vote would be 1,600,000.

PUNJAB

In the Punjab, the Committee propose an electorate of 2,800,000 or about 12 per cent. of the total population as against 2,300,000 and 2,700,000 recommended by the local Government and the provincial committee respectively 451,000 of the voters would be women. The difference between the Franchise Committee's proposals and those of the local Government is due to the former having included more women, depressed classes, and educated men. They point out however that a serious defect in the Government's scheme is that only about 25 per cent. of the electorate will consist of members of the non-agricultural tribes, who form about half the population of the province, and they suggest that the Government should give further consideration to this point.

BIHAR AND ORISSA.

In Bihar and Orissa, the local Government recommended an electorate of 2,900,000 and the provincial Committee one of 1,750,000. The former would represent about 8 and the latter about 5 per cent. of the total population. The Franchise Committee recognize that special difficulties exist in the province owing to the lack of revenue staff and the fact that the present electorate is only about 1 per cent. of the total population, but they do not think an electorate of over 3,000,000 would be administratively unmanageable. They propose payment of chaukidari tax at the minimum rate of six annas a year, or a corresponding rate municipal tax in urban areas, as the general basis of the franchise, and suggest special provision for women and depressed classes. The total electorate would then number about 3,500,000, or about 10 per cent. of the total population, 350,000 of the electors would be women.

C. P.

In the Central Provinces electorates of 1,500,000 and 1,750,000, representing 10 and a little over 11 per cent. of the population, were proposed respectively by the

local Government and the provincial Committee. The Franchise Committee is prepared to accept the Government's scheme provided it produces an electorate of not less than 1,500,000 and subject to certain special arrangements in respect of the depressed classes and women. It is recognized that since the existing electorate is only a little over 1 per cent., this province like Bihar has special difficulties.

ASSAM.

In Assam, the local Government was against expanding the electorate beyond 10 per cent. of the total population, which is treble the existing number. The provincial Committee wished to enfranchise 15 per cent. by reducing the qualifying payments of land revenue or chaukidari tax, but did not indicate precisely what reductions would be required. In view of the sparsity of population and defective communications in Assam the Franchise Committee accepts the Government's scheme provided more women are enfranchised and also men who have passed certain educational standards. The resulting electorates is estimated at slightly over 1,000,000, or about 13 per cent. of the total population. About 2000,000 of the electors would be women.

FRONTIER PROVINCE

As regards the Frontier Province, which before April last had no legislative body the Franchise Committee make no final recommendations. The existing franchise enrols about 4 per cent. of the total population and 12 of the urban. The local Government desire no further increase in urban enfranchisement, but considered that 10 per cent. of the rural population should be enfranchised. No special arrangements for labour or of the depressed classes would be necessary. As regards women suffrage both the Chief Commissioner and the local Committee indicated that public opinion would render it at present extremely difficult. The Franchise Committee suggest that Parliament should decide, in the light of future discussions in the local Council, whether the province requires special treatment in this matter.

WOMEN'S REPRESENTATION

From this the Committee proceed, in Chapter VIII, to consider the question of women's representation as a whole. The ratio of women to men at present enfranchised ranges from 1 to 10 in Madras to 1 to 114 in Assam, and both the Prime Minister and the Franchise Sub-Committee of the Round Table Conference urged a reduction in the disparity between the voting strength of the sexes. Most representatives of women's organisations desired equality with men on the basis of direct or indirect adult franchise. But as neither of these systems is found practicable, the Committee, like the Franchise Sub-Committee, advocate special qualifications for women, since under a restricted franchise, unless the number of men voters is reduced in order to increase the number of women voters, theoretical equality must in practice mean extreme inequality. They consider that the reluctance of women to vote under the existing franchise is due partly to their being a small and conspicuous minority and that it is essential to place enough women on the roll to compel candidates to consider their interests. Thus while providing legal equality for men and women under the ordinary property and educational qualifications, the Committee propose additional qualifications for women calculated to give them about one-fifth of the total voting strength, the proportions varying from one-fourth in Madras to one-ninth in Bihar. These qualifications would be firstly bare literacy, and secondly, being the wife of a man entitled by property under the existing franchise to vote for the provincial Councils. A special extension of the latter is suggested in the Central Provinces, owing to the smallness of the present electorate. The Committee recognize the disadvantage in conferring the franchise on the basis of the husband's property qualifications, but such women as object to it would probably get the vote by literacy. As regards women's representation in the legislatures, four methods of ensuring this were suggested. The first that women should be co-opted by the newly elected Councils by the single transferable vote. The second, to elect to the reserved seats by a special electorate of educated women. The third, that those women who secured the largest number of votes in a general election without actually being elected should be given such reserved seats as were vacant. And the fourth, that seats should be set apart for women in selected areas,

in which the electors would have two votes, one in the general constituency, and the other for a woman candidate. The Committee favour the last method. They do not recommend precisely how many seats should be reserved, since this depend upon the settlement of the communal question; but they urge that the proportion of seats reserved during the first ten years should be between 2 and 5 percent of the total. As regards special polling arrangements for women, the Committee set forth the various methods suggested to them, and urge the provision in the most places of at least a separate entrance to the polling booth and a woman assistant.

REPRESENTATION OF LABOUR

Chapter IX deals with the representation of labour, agricultural and industrial. The former is defined as consisting of landless labourers or farm servants entirely dependent on their employers. Apart from adult franchise, there are four possible ways of enfranchising them, namely by the group system, household suffrage, a house-rent qualification, and a wage-earner's franchise. For the reasons given in Chapter III the first two are rejected, as also is a house-rent qualification, owing to the difficulty of assessing values in rural areas. A wage-earner's franchise is considered impracticable because income cannot be ascertained where employers keep no books, because of the migratory habit of agricultural labourers, and because their wages are often paid not in cash but in kind and thus vary in value from year to year. The Committee therefore can suggest no means of providing special representation for agricultural labour. Industrial labour at present has nine reserved seats in the provincial Councils. The number of persons employed in organised industries is estimated at 5,000,000. The Committee state that although numerous urban workers will be enfranchised under their other proposals, they will probably nevertheless be unable to return their own representatives. For this reason, and also because the seats reserved for commerce will be occupied by employers, they recommend special representation for industrial labour, and suggest securing this either by elections through registered trade unions or through special labour constituencies. A total of 38 labour seats is proposed, of which 8 each would go to Bengal and Bombay, 5 to Madras 4, each to Bihar and Assam, 3 each to the United Provinces and the Punjab, and 2 to the Central Provinces.

DEPRESSED CLASSES

In the next Chapter, which deals with the depressed classes, it is explained that after endeavouring to ascertain who the depressed classes are the Committee's task was to indicate whether they would be adequately enfranchised under the qualifications proposed, and if not, whether they should have special representation. The Committee agreed to define the depressed classes as those who are untouchable, i.e. who cause pollution by touch or approach or denied access to temples. They examined the figures resulting in each province from investigations made by five previous authorities, namely, Sir Henry Sharp, 1917, the Southborough Committee, 1919, the Census Commissioner, 1921, and also had at their disposal fresh figures prepared by local Government and Provincial Franchise Committees. Since the mean total for the whole country resulting from all these calculation is 35,000,000 the depressed classes indisputably constitute a substantial portion of the population. Nevertheless many of the provincial estimates differ greatly. By far the widest difference is in the United Provinces where the Census Commissioner in 1931 estimated the depressed class population as 12,600,000 and the Provincial Franchise Committee this year gave them a strength of 581,000 only. But in Madras, Bombay, the Central Provinces, Behar and Orissa, and Assam the Committee is evidently satisfied that the number of the depressed classes are correctly computed at about 7,100,000, 1,700,000, 2,900,000, 4,300,000, and 650,000 respectively. As regards enfranchisement the Committee say that until the new electoral roll is prepared it will be impossible to calculate the voting strength of the depressed classes, but since most of them will not have the requisite property or educational qualification they will certainly not be enrolled in proportion to their population. Since it is essential that under responsible government these people should be able to express their opinions in the Councils the Committee recommend a levelling up of the depressed class vote by some form of differential franchise. They suggest six possible methods. The first is to enfranchise depressed class village servants. The second to enfranchise on bare literacy. The third to grant a vote to each depressed class household. The

fourth to grant two votes to each depressed class voter, one in a special constituency and the other in a general. The fifth, to enfranchise wives of depressed class voters, and the sixth to reduce property qualification in respect of the depressed classes. Since conditions vary greatly the committee would let local Government decide which methods they adopt, but suggested that the village servant qualification should be introduced at any rate in Madras, Bombay and the Central Provinces and that extensive use might be made of the bare literacy qualification. They urge that in any case the voting strength of the community should be raised in all but one province to approximate 10 per cent. of its population.

MINORITIES AND SPECIAL INTERESTS

The next six chapters which are shorter deal with minor minorities and special interests, aboriginal and hill tribes, the military service qualification, the size of the provincial legislatures, multi-member and single member constituencies, Second Chamber in the provinces and the minor administrations, namely Delhi, Coorg, and Ajmer-Merwara. Among the recommendations contained in them are that the existing representation for special interests namely commerce, landlords, and the Universities, should be retained but not extended, that representation of some kind should be advised for the aboriginal tribes; that no alteration should be made in the present military service-qualification; and that in view of the substantial enlargement proposed in the size of the electorate, and of the consequent difficulty of managing the existing constituencies, the seats in the provincial legislatures should generally be increased to between two and three times their present number. Although no recommendation are made regarding multi-member and single-member constituencies, the chapter in which their respective merits are discussed is of interest owing to its bearing on the communal problem.

FEDERAL LEGISLATURE

In the last four chapter proposals are made regarding the federal legislature. *Here as the Committee point out they are confronted with a problem unexampled in history.* The federal legislature will be charged with the affairs of 338,000,000 people, a number more than three times larger than has ever before been brought within a single democratically governed State. Moreover many of the seats will be filled by representatives of the Indian States, where the system of government applied in the provinces is not in operation. As regards the Senate, the Federal Structure Committee of the Round Table Conference recommended that the British Indian members should be elected to it from the provincial legislature by the single transferable vote, on the principle that the upper house represents the units of the Federation and the lower house the nation as a whole. The Franchise Committee agree with this proposal. Greater difficulty arises in the case of the Federal Assembly. The Committee emphasize that if a legislature is to be efficient there is a limit to its size. They consider 600 members the theoretical maximum. On this basis, if adult franchise were subsequently introduced, the average British Indian constituency would extend over about 1,700 square miles and contain about 250,000 electors. In the Montagu-Chelmsford Report and the Simon Report this was adduced as a reason for advocating indirect election to the federal legislature. The Franchise Committee, however, are against such a course. They point out that since they do not propose adult franchise even for the provinces, the problem of dealing with such vast numbers will not arise for some time; that the difficulties will become less as education and transport improve; and that Indian public opinion is definitely opposed to the indirect method. They therefore recommended direct election to the Federal Assembly as well as the provincial Councils and would leave it to time to overcome subsequent difficulties. As regards the size of the Assembly, they consider the total of 200 seats for British India recommended by the Federal Structure Committee insufficient, and propose 300. This would reduce the area of the constituencies by one-third. The present electorate for the Assembly is 1,140,000 persons, which the Committee consider much too small. But the possibility of having the same franchise for the Assembly as for the provincial councils,—although it would confer wide representation and involve the preparation of only one roll,—is rejected for three reasons. Firstly, that the number of electors per member,—even if separate electorates were abolished and 300 instead of 200 seats were allotted to British India in the Assembly,—would, under the existing conditions, be quite unman-

ageable, since in Bengal and Madras, for example, they would amount to 167,000 and 156,000 respectively. Secondly, that since the provincial electorate has been extended to the limit of administrative practicability, the machinery might break down if all electors could cast votes for the Assembly as well as the Councils on the same day. And thirdly, that the Assembly electorate will be concerned with problems beyond the village voter's knowledge, and that it would be unwise suddenly to expand the electorate from 1,000,000 to 36,000,000 when most of the latter number will consist of illiterate persons all but 7,100,000 of whom have hitherto been unenfranchised. *The Committee therefore propose the same franchise for the Federal Assembly as that now in force for the provincial councils, supplemented by certain differential educational qualifications for men, women, and members of the depressed classes calculated to raise the total from 7,100,000 to 8,500,000.* In the absence of a communal settlement the Committee could not make final recommendations for representation of special interests, but they suggest that each provincial Council should elect one women member for the Assembly, that 8 seats should be reserved for labour, and the same number for commerce and landlords as at present. They consider that representatives of European commerce should all sit in the lower house.

Minutes of Dissent

Messrs. Tambe, Chintamani and Bakhale appended a minute of dissent dealing *inter alia* with certain points connected with adult franchise, a possible wage census, the depressed classes, special interests, second chambers in the provinces, and the federal legislature. They were of opinion that statutory provision should be made for an increase of electorate after every ten years, so as to lead to adult franchise throughout the country in a period not exceeding 30 years. They were opposed to any representation of 'special interests' in either house of the federal legislature even more strongly than to such representation in the provinces. They were uncompromisingly opposed to second chambers in provinces. The following is the text of the minutes of dissent :—

While we agree with much in the Report, we regret that there are important parts where we are not able to see with our colleagues eye to eye, and it is necessary from our point of view that we should state our conclusions as well as the reasons therefor.

2. We are glad that our colleagues fully appreciate the value of adult franchise. But we are inclined to think that the administrative difficulties which preclude its immediate introduction have been unduly emphasised. We are convinced however not only that a beginning can be made, but that it should be made in selected areas where it is feasible. Not only do we think that this is a measure of justice, but it will be of great value in familiarising both administrative officers and the people with the system, thereby facilitating its early extension over larger areas. Besides, the measure we recommend will result in a substantial increase of electors belonging to the labouring and the depressed classes. The United Provinces Franchise Committee have recommended adult suffrage in all cities with a population of 50,000 or more. Our recommendation is still more modest. It is that adult suffrage should be introduced in all cities which have a population of 100,000 or more. Their number is not more than 30 in the whole country. If it be thought that even this would be an excessive beginning, we shall be content if adult suffrage is introduced in the first instance in all capital cities, namely, Delhi, Madras, Bombay, Calcutta, Allahabad, Lahore, Patna, Nagpur, Shillong and Peshawar. The possible objection that this step will increase the urban electorate at the expense of the rural is more academic than real. The fact cannot be questioned that there is more of education and capacity for affairs in cities than in villages, and the aim of the reformer should

be to level up the latter and not level down the former. Compulsory primary education was first introduced in municipalities and has been gradually extended to rural areas. We need hardly say that these cities will be separate constituencies, as most of them are even at present, and will not be merged in rural constituencies, and therefore the proportions of urban and rural votes in constituencies comprising both urban and rural areas will not be affected.

3. We are further of opinion that *statutory provision should be made for an increase of the electorate after every ten years, so as to lead to adult franchise throughout the country in a period not exceeding thirty years.* The rate of advance may differ in the several provinces according as local opinion and local conditions may suggest, but the goal should be reached everywhere in the space of a generation. In the absence of some such provision, adult franchise may remain a far off adorable dream. We are not content to repeat the proposal of the Franchise Sub-Committee of the Round Table Conference that there should be a review of the position, as we are anxious to avoid the necessity and reduce the probability of convulsive agitation at pretty frequent intervals to induce the Government and the legislature of the day to satisfy a just popular demand. The present Government of India Act provided for an examination of the position with reference to responsible Government ten years after it came into force. The agitation that marked the appointment and enquiry of the Simon Commission reinforces our argument, and conveys a warning that should not go unheeded. Objection has been raised against the time limit which we propose. Our answer is that experience bids us beware that in the absence of a statutory time limit progress in the desired direction tends to be far slower. A statutory provision, such as is here recommended, will have the further beneficial effect of accelerating the wider diffusion of education among the masses as Governments and legislatures will both realize its urgency.

THE BASIS OF THE FRANCHISE

4. In paragraph 68 of the Report it is stated that property has been taken as the main foundation of the franchise, and that the property qualification has been lowered 'so as to bring on to the roll the great bulk of the landholders, the tenants and the urban rent-payers and a considerable section of the poorer classes. The omission here of wage-earners will be noticed. Yet, following the recommendation in this behalf of the Franchise Sub-Committee of the Round Table Conference, the questionnaire issued by our own Committee invited witnesses to understand the term 'property' 'in its widest sense as including...wages, whether in cash or kind.' The consideration given to the subject of labour representation and the special recommendations in behalf of the depressed classes do not make up for the omission to recognize wages as one of the general qualifications for franchise. The numbers affected are vast. Including agricultural and non-agricultural labour, the total in the nine Governors' provinces is no less than 48,755,382 out of an aggregate population of 254,955,473. That is about 20 per cent. of the whole. In some provinces 'agricultural labourers, are actually more in number than 'tenants'; for example, in Madras, Bombay, and the Central Provinces. Those who are not adults being left out, the numbers affected are still very large. Almost every local Government and Provincial Committee have admitted that their proposals for the extension of the franchise leave out very large numbers of these, the poorest of people. This has been sought to be justified on the two ground that there are practical difficulties and that many of those labourers are themselves tenants or sub-tenants and will therefore come in under those categories. We do not know to what extent the two are mixed up in the separate columns of tenants and labourers, but we cannot think that more than a small fraction of the large numbers of agricultural labourers are also tenants. As regards practical difficulties, they do not exist in the case of organised occupations while they are far from their being insurmountable in respect of others. Besides, a wage census is both practicable and desirable. In our opinion, every labourer, rural or urban, who has been in receipt of wages of Rs. 10 a month or its equivalent in kind continuously for the six months preceding the preparation of the electoral roll should be brought on the register.

	Madras.		Bombay.		Bengal.		Central Provinces.	
	No.	Percentage of the total population.	No.	Percentage of the total population.	No.	Percentage of the total population.	No.	Percentage of the total population.
Tenants	1,617,476	3.4	1,160,432	5.3	815,654	1.6	121,373	.7
Agricultural Labourers	5,064,459	10.8	2,967,809	13.6	2,668,343	5.3	3,455,025	22.2

4A. In paragraph 79 of the Report it is stated that if after the preparation of an electorate roll on the basis of the new franchise it is discovered that the ratio of voters to population is markedly different as between one community and another 'it will be necessary to consider what action if any is required in order to rectify the disparity'. We do not approve of any such action. It should be noted that the principal recommendation of the Franchise Sub-Committee of the Round Table Conference was 'that in any given area the Franchise qualifications should be the same for all communities'. They were not the same during the year of the Morley-Minto Act and much heart-burning was the consequence. (On this account differentiation was done away with in the rules made in 1910 and it does not exist now. To re-introduce it anywhere and on any plea—except in the very special case of the depressed classes—would be a retrograde and objectional step which would create a fresh source of inter-communal friction. Opinions of provincial Governments and Committees as well as the bulk of the evidence of associations and individuals are decisively against any such differential franchise. And we must record our conviction that any such measure would be utterly unwise.

PROVINCIAL FRANCHISE SCHEMES

5. *House Rent Qualification.*—In paragraph 85 it is stated that we are 'prescribing rental qualifications in towns which should bring in a considerable section of the labouring classes.' While we approve of the recommendation, we may point out that in large industrial towns like Bombay, where rents are comparatively high, the practice of sub-letting generally prevails. We therefore recommended that the sub-tenants or boarders who pay the minimum rent that may be prescribed for becoming a voter, should be enfranchised.

6. *Bombay.*—We recommend that the land revenue qualification in the case of men should be further reduced from Rs. 8 to Rs. 6. This would only increase the electorate by 400,000, and we are satisfied that this cannot be ruled out on administrative grounds. We further recommended that the house rent qualification in the city of Bombay should be brought down from Rs. 60 to Rs. 36.

7. *The United Provinces.*—We support the proposal of the United Provinces Franchise Committee that the franchise should be extended to members of joint families who hold the minimum qualification, provided their names are recorded in the village papers'. A similar proposal made by the Government of Madras in favour of 'a registered joint landholder, inamdar, *pattadar* or occupancy ryot' has been accepted by our colleagues. The case of members of joint families is almost on all fours with that of joint landholders. As regards the objection of the Government of the United Provinces, it is met by the proviso that the names of such members of joint families must be recorded in the village papers in order to entitle them to the vote.

8. *The Panjab.*—While we are glad that the hard case of members of non-agricultural tribes in the Panjab has received consideration, we would make the definite recommendation that all payers of *khasiyat* tax should be given the vote, and further that the feasibility of extending the vote to persons with incomes lower than Rs. 400 should also be considered.

9. *Assam.*—We recommend that the proposal of the Provincial Franchise Committee to enfranchise 15 per cent. of the total population 'by reduction of the qualifying amount of payment of land revenue or of *Choukidari* tax' be accepted. Our colleagues say (paragraph 198) that 'in view of the administrative difficulties which are forcibly pointed out in the local Government's report, we are not prepared to press them to provide for more than 10 per cent. of the population, which involves trebling the existing electorate.' In several other provinces recommendations have been made which involve a similar consequence, and we do not think that this cir-

cumstance alone need have altered a more favourable consideration of the proposal of the Assam Committee. As regards administrative difficulties let it be borne in mind that the composition of the Committee, which had for Chairman a British representative of the planting industry and which included three British members of the Indian Civil Service and eight members of the Legislative Council should lead to the presumption that they would not have put forward a proposal which was administratively impossible.

WOMEN'S REPRESENTATION

10. We deem it our duty to give prominence to the important fact that there was a strong and an almost unanimous expression of opinion by women witnesses, whether they appeared as the representative of women's associations or in their individual capacity, that they did not want women representatives in the legislatures to be elected by any communal electorates. Their objection to be dragged into communal controversies in any manner was emphatic, convincing, and if we may add, most welcome. We are equally clear and strong that if, unfortunately, communal electorates and communal representation be not done away with altogether, at the least there should be no extension to the sphere of women's activities of what we consider to be an essentially wrong principle. And there is not even a semblance of justification for it in the face of the decided opinion of women witnesses to which we have referred.

DEPRESSED CLASSES

11. We now come to a question of great importance and of great perplexity—the question of depressed classes. This question has received as much attention as, if not more than, that of the basis of franchise. We unanimously agreed at our meeting of February 4, 1932, at Delhi that the term 'depressed classes' should be defined to mean untouchables only. Yet curiously, as we notice, this definition was not clearly kept in mind in drawing up the revised questionnaire, which was issued on 11th February, 1932. One of the questions in the questionnaire was: What communities would you include as belonging to depressed classes? Would you include classes other than untouchables, and, if so, which? We think that the great confusion caused in the minds of the Provincial Committees and local Governments must have been due to a large extent to this question. The result is the various figures given by some of the Committees and local Governments. The United Provinces Franchise Committee asked our Chairman, when the Committee went to Lucknow for the second time, to define what our Committee meant by the expression 'depressed classes'. That the several local Governments had no clear idea as to what our Committee wanted, is evident from their provisional replies. It is doubtful if the Governments of Madras, Bombay and the Central Provinces had any clear idea of our definition of the term 'depressed classes.' The Madras Government had for purposes of their own local Act to define the term 'depressed classes', and the figures which they have given are not necessarily the total population of those who should form the depressed classes according to our definition. Similar is the case with Bombay. The Bombay Government had appointed a committee long before our Committee defined the term 'depressed classes' to investigate and report on certain matters concerning what they called the depressed classes. The figures furnished by the Governments of Madras and Bombay have not been examined in the light of our Committee's definition of the term, but their correctness has not been questioned. As regards the figure given by the Government of the Central Provinces, we do not agree with our colleagues that the classes which are listed as untouchables, not throughout the whole province but in certain districts, should be treated in those districts as belonging to depressed classes. This is unsound in principle and unsafe in practice. It will, besides, cause much inconvenience in the preparation of a roll if separate electorates be ordered for the depressed classes. It is more than likely that more districts than one will have to be included in one constituency. The electoral roll will then include eligible persons of the same class so far as the district is concerned, while it will exclude such persons of that very class in another district. In one constituency there will be distinction, and if the proposal of additional or differential qualification to augment the number of depressed class voters be accepted, there will be different qualifications for the same class in the same constituency. We, therefore, think that classes which are listed as untouchable in only a part of a province should not be treated as such for electoral purposes,

12. Regarding the figure for Bihar and Orissa, we regret we cannot agree with our colleagues. The list of depressed classes 'in Bihar and Orissa during the census of 1931' attached to the Chief Secretary's note differs from the list classed as depressed in the same province during the census of 1931 circulated with N. 220-Bihar and Orissa. The first list contains 31 classes while the second only 22. Out of these 22, 8 are aboriginal classes according to the statement in Appendix 2 of the Memorandum of the Provincial Franchise Committee. The Chief Secretary in his note at page 10 on the classes Dom, Halalkor, and Hari says: 'They would hardly admit that they are a depressed class except when it is a question of Government appointment. The problem of the representation of a caste as this is really the problem of the representation of the agricultural labourers. In the beginning of his note, he says: "The problem of the depressed classes does not exist in an acute form in Bihar and Orissa." The local Government do not give any figure, but refer to the note of the Chief Secretary for information. In the circumstances, we are not prepared to accept the figure of 4,300,000 as the total of depressed class population in Bihar and Orissa. The evidence which we recorded and the evidence contained in the written statements tends to establish that there are very few classes which can be called 'depressed.' We think that the three castes mentioned by the Chief Secretary are the only depressed classes. They number 400,000.

13. Coming to the United Provinces, we notice, as remarked above that the Provincial Franchise Committee were not given a clear lead, as would appear from the proceedings. With the exception of the representatives of the depressed classes, the Committee were from the beginning of opinion that untouchability should be the test. According to this definition, the depressed class population amounted to 5 to 6 lakhs. The only classes which according to the definition of our Committee, would fall under the category of depressed classes in the United Provinces, are three, namely, Bhangis, Doms and Dhanuks, as stated by the Provincial Franchise Committee. The two members of the depressed classes on the Provincial Committee agreed that these were the only three castes which come within our Committee's definition of depressed classes. The number of these castes is 581,000. On the basis of this definition the local Government also have stated that their number is 549,000. There is thus agreement between the depressed class representatives, the Provincial Committee and the local Government, and the matter, in our opinion, should be concluded here. But a note by Mr. Blunt, which was prepared before our second visit to the United Provinces and before our definition was communicated to the Provincial Committee and the local Government, has been brought in and this has confused the issue. But it is a material circumstance that Mr. Blunt, who is a member of the Government, has not dissented from the reply. The last sentence of paragraph 16 of Mr. Blunt's note shows that the only classes which strictly fall within our definition of depressed classes were Bhangis and Doms. His note, in this light, is not really inconsistent with the subsequent opinion. In our opinion, the discussion of Mr. Blunt's note is irrelevant. The issue raised by the Provincial Committee and the local Government about some other classes as requiring special treatment is outside the scope of the enquiry in connection with the depressed classes. It opens a very large question and is outside the terms of reference to this committee.

14. We have not received any final figures from the Bengal Government. The figures supplied by them from time to time vary. The majority of the Bengal Provincial Franchise Committee put the number of depressed classes at 70,000. The evidence tends to show that there is very little of untouchability now existing in that province. The classes which were at one time considered to be depressed have advanced educationally and economically, and have been able to send representatives to the local legislature in every election held since the introduction of the Montagu-Chelmsford reforms. The Local Government have stated that in seven districts at least the electors from those classes will form a majority in the electoral roll and it is, in our opinion, not necessary to make any further enquiry into the numbers. Except for the contention of representatives of the depressed classes, opinion is practically unanimous that the problem of depressed class representation scarcely exists in Bengal.

15. As in Bengal, the opinion expressed by all except the representatives of the depressed classes is unanimous that the problem of the representation of the depressed classes does not exist in the Punjab. Both Sikhs and Muslims have been active and converting the lower classes of the Hindu community to their faiths,

of their number has accordingly gone down considerably. The evidence tends to show that the only class which is untouchable is that of scavengers. Even members of this class who do not actually do the work of scavenging are not considered untouchable according to the evidence. The local Government have put the total population of the Depressed classes at about 1,300,000. This includes the class called Ramdasias, who are Sikhs. It also includes a class called Ad-dharmis, who vehemently urged that they are not Hindus. This class, we think, should be excluded from the untouchables, as our enquiry has been confined to untouchables in the Hindu community. There is evidence before us that there are untouchables amongst Muslims, Indian Christians and Sikhs. If Ad-dharmis are to be included amongst untouchables, the scope of our enquiry will have to be widened, so as to cover the untouchables of non-Hindu communities as well.

16. Our estimate of the numbers of the depressed classes in the several provinces is as under :—

	Millions.
Madras	7.1
Bombay	1.7
Bedgal	.07
United Provinces	.6
Punjab	1.0
Bihar and Orissa	.4
Central Provinces	2.9
Assam	.65
Total	14.42

What His Majesty's Government would want to know at this stage, if the question of depressed classes be considered to be a part of what is called the communal question—with all due deference to the Prime Minister, we do not think it is so—is :—

(1) in what provinces the depressed classes form a distinct and separable element in the population ;

(2) The extent to which the depressed classes would be likely, through such general extension of the franchise as we may recommend, to secure the right of vote in ordinary electorates ;

(3) Public opinion and the Committee's views as to whether special representation is necessary and, if so, the nature thereof.

17. The main report and our statement above will show that in only three provinces, Madras, Bombay and the Central Provinces, can the depressed classes be said to form a distinct and separate element of the population. In other provinces, it is generally difficult to draw the line. Untouchability in the latter provinces is the adjunct not of a person but of the occupation he pursues. A person belonging to a sweeper class is untouchable if he does scavenging work, but not if he pursues a clean profession. The Governments and Provincial Committees, except in Madras, Bombay and the Central Provinces, have stated that the problem of depressed classes is not acute. No doubt, the representatives of the depressed classes have urged that it does not exist, but they could not have stated otherwise—the poison of separatism has been spreading. Besides, a person who is appointed to represent a special interest, thinks he will be considered to have failed in his duty if he does not make the most extreme demand. Such statements cannot be taken at their face value. Untouchability is steadily diminishing and anyone who wishes Indians to unite and become one people and nation, would not wish that the untouchable classes should be treated as a distinct and separable element of the population. Efforts are being made to remove the barrier dividing class from class where it unfortunately exists, and are showing signs of success.

18. *We, who are decidedly against any representation of castes or classes, cannot think of lending our support to any suggestion which, instead of doing away with existing class representation, will create one more class.* Even in the provinces where the depressed classes form a distinct and separable element, no steps should be taken which will perpetuate their distinction and separation. On the other hand, we strongly recommend that such steps should be taken in the case of their representation as will gradually remove the distinction and separation. In the case of the Central Provinces, we may bring to the notice of His Majesty's Government

that there is an agreement as to the nature of representation between representatives of the depressed classes and other Hindus. The statement at page 6 of the Provincial Franchise Committee's provincial reply dated March 3, 1932, that Mr. Gavai (representative of the depressed classes) has written a minute of dissent pressing for separate electorates and 22 seats is not correct. The minute of dissent attached to the reply nowhere refers to a claim for separate electorates. What Mr. Gavai says is; 'Besides the reservation of seats on a population basis the depressed classes should have a right to contest additional seats in the general election.' This is certainly not a claim for separate electorates. Mr. Gavai was, besides, examined with Rao Bahadur M. C. Rajah at Delhi on March 30, 1932, and he stated that he was for joint electorates with reservation of seats. There is therefore no problem of the depressed classes for settlement by His Majesty's Government in the Central Provinces.

19. We agree that the number of the depressed classes likely to be enfranchised under our proposals will not bear the same proportion to their population as the total number of persons of all classes and castes likely to be enfranchised will bear to the total population. We are no less anxious than our colleagues to devise methods to bring an adequate number of those classes on to the electorate. The extent to which they are likely to be enfranchised under the general scheme of franchise is mentioned in the main report. But labour has been recommended for special representation, and the bulk of the labours come from the depressed classes. Special labour constituencies are recommended along with trade union constituencies, and in the former a good number of the depressed classes, though not as such, will come on the electoral roll. We are, however, in agreement with our colleagues in recommending the special qualifications proposed in the report of bringing depressed class persons on the electoral roll so as to bring up their voting strength as nearly as possible to 10 per cent. But it should be mentioned that we agreed to those proposals on the following distinct conditions, *viz.*, (1) that no separate electorate shall be formed for them, (2) that their representation shall be through joint electorates with or without reservation of seats, and (3) that no class other than that of untouchables shall be included within depressed classes to swell up their number. In Bengal, no additional qualifications for the depressed classes are necessary. They will be brought on the electoral roll in proportion to their number.

20. In answer to the following *viz.*, 'Do you consider that the depressed classes are likely, through such general extension of the franchise as you favour, to secure representatives of their own choice in the general electorates, and if so, to what extent? If you answer it in the negative, *what specific proposals would you make to secure their representation in legislatures?*' Statements were submitted to the Committee, individuals, associations, provincial committees and Governments. Witnesses who appeared before us were examined on their replies to the above question, till after the examination of witnesses of the Bombay Presidency, when the provisional statement of the Central Provinces Committee Government recommended joint electorates for depressed classes. The point was then raised that our Committee was not competent under the terms of reference to express any view on the question. Even after this, at Delhi on March 30, 1932, Rao Bahadur M. C. Rajah was cross-examined at some length on the point whether the resolution of the All India Depressed Classes in favour of joint electorates was really adopted at a properly convened meeting. Indeed there is a large volume of evidence, oral as well as written, which expresses the public opinion on the question.

(Mr. Bakhale does not agree with all that is said in this section.)

MINOR MINORITIES

21. It has been a great impediment during our enquiry that, while what is called the communal question has been declared to be beyond the scope of our Committee, we yet were expected to deal with questions affecting the representation of communities as such. In the discussion of the position of what have been called 'minor minorities' this difficulty was felt to such an extent that it became a matter of serious consideration whether the committee should not postpone their deliberation on questions other than the extension of the franchise, until after His Majesty's Government had decided the questions of communal and minority representation.

22. We regret we cannot endorse all that is said in the report on the representation of the so-called 'minor minorities.' If the electorate is satisfied with the policy

and the opinions of candidates, to whichever community they may belong, there is no reason to think, as the majority of our colleagues say, that Europeans, Anglo-Indians and Indian Christians cannot expect to secure representation in the provincial legislatures through the general constituencies. This statement is not wholly correct as there have been examples of the election of candidates belonging to those communities when they inspired confidence in the electorates. Actually one Indian Christian gentleman returned by the general electorate was appointed a Minister in Bihar, as a British official member of the Provincial Franchise Committee brought out during our sittings at Patna. Yet, the report says that except in parts of Madras, Indian Christians could not secure representation. Provincial Governments and Committees have not been unanimous that these three communities should be accorded special representation in the new constitution. The Government of the United Provinces have made no recommendation whatever, while neither the Government nor the Franchise Committee of the Punjab have proposed any special representation in the case of Anglo-Indians. The Government of Bihar and Orissa and the Central Provinces have not proposed any special representation in the case of Indian Christians, while the latter have urged a combined electorate for Europeans and Anglo-Indians. The Central Provinces Committee have made no proposals whatever with regard to Europeans, while the Assam Government have made none with regard to Anglo-Indians. As regard representation of Europeans in Bombay, the reports of the local Government and the Provincial Committee 'are not very clear on the point'. When we turn to the general body of evidence, we think we can affirm with confidence that its weight and tendency is against the continued fragmentation of the electorate into so many sections. Indian Christians in particular are very far from being unanimous as to the method by which their representation is to be secured. Unquestionably, the three communities named should secure representation in the new legislatures, but so should every community. Experience warn us of the unwholesome effects of the continued maintenance of 'special representation'. In this connection, it will not be out of place to state a tentative scheme proposed by the Government of Madras in 1907 for special representation in the legislature of Brahmans, Mahomedans, Christians and 'all other persons' was almost laughed out of court, so much so, that that Government had to abandon the scheme. The Government of the United Provinces, too, in their despatch of March 16, 1908, opposed 'the sub-division of the electorate' on the ground that it 'is certain to cause much heartburning.'

23. We should like to add that we should have no objection to reservation of seats in the general electorates for the communities named where necessary and feasible, and as a temporary arrangement.

SPECIAL INTERESTS

24. With regard to this question also we are confronted by the same difficulty of the restricted terms of our reference. Our colleagues say : (para. 318).

In the absence of a communal settlement, it is not possible for us to do more than discuss the general basis upon which, in our view, representation should be accorded to these interests, though in accordance with the suggestion of the Round Table Conference, we make certain tentative suggestions as to the number of seats to be reserved in the case of all three groups.

The three groups are commerce and industry, landlords and universities.

25. We regret our inability to concur in the recommendations of the majority. *We remain utterly unconvinced of the necessity or the justification of special electorates.* In their absence there is no reason to suppose that any of them will fail to secure representation. Our colleagues say (para. 320) in justification of a special electorate to represent commerce and industry :

'While general constituencies may not infrequently return individuals whose knowledge and experience is such that they can make contributions of value in discussions on commercial and industrial questions, those members speak primarily as representatives of their constituency and they may on occasion find that the claims of that constituency are difficult to reconcile with a wholly dispassionate examination of particular economic issues.'

We think that just the contrary will be the case. It is members elected by the proposed special electorates, and not those who represent general electorates, who will find real difficulty in making 'a wholly dispassionate examination of particular economic issues'. The reason is obvious.

COMMERCE

26. Assuming without admitting, that special representation should be retained, we fail to understand why there should be separate electorates of European and Indian commercial bodies when the representation is functional and not communal, nor why these special electorates should be sub-divided into several groups. Without prejudice to our objection to the departure from sound principle involved in the recommendation of the majority, we should urge that there should not be separate European and Indian Commercial electorates and secondly, that in each province all associations representative of commerce, trade and industry should be combined into one special electorate. If it be thought that representatives of British interest will thereby fail to secure an adequate share, our answer is, firstly that the European electorate (which we apprehend will be retained) may be trusted to return a fair number of Europeans engaged in business, as has hitherto been done, and secondly that we shall have no objection to the reservation of a certain number of seats in the combined special commerce electorate for European businessmen.

27. We must further call attention to the inequality of representation as between European and Indian Commerce and Industry, in several provinces, as well as to the retention of the quite excessive representation accorded to the Bengal Chamber of Commerce.

LANDLORDS

28. If the results of all the four elections held under the present Government of India Act have demonstrated one thing more than another, it is that the position of landlords is so strong that they have been able to secure a very large number of seats in general electorates, and that special representation is utterly unnecessary. The relevant figures have been quoted by the Statutory Commission (vol. II, page 77). No fewer than 306 out of an aggregate of 719 seats in all the provincial councils were secured by landlords. We do not share the apprehension of our colleagues that they may fail to get an adequate amount of representation through general constituencies in the future. Even with the large increase of the electorate, it is our firm belief that except where particular landlord candidates may have made themselves unpopular with the general body of their tenants or the public, they will have no less chance of success in the future than they have had until now. All legitimate rights of property being secured by an appropriate provision in the constitution, no other method need be devised for either this or any other interest.

29. If, however, special landlord electorates will be maintained we are not satisfied of the reasonableness of retaining the present constituencies. While we agree that there should be no increase in the number of seats, there are not a few anomalies which require to be rectified, such as the very unequal and unfair distribution of seats between the taluqdars of Oudh and the Zamindars of Agra, Zamindars of Oudh who are not taluqdars receiving no share at all. We shall be sorry if such patent anomalies and inequalities in the existing arrangement are to be continued.

UNIVERSITIES

30. Here too we plead for the removal of anomalies and inequalities. There is no reason why some of the universities should be ignored altogether, while others continue to enjoy representation.

ABORIGINAL AND HILL TRIBES

31. We are strongly opposed to separate electorates for any class or community and cannot subscribe to any proposal to create a fresh class or caste electorate. We therefore do not agree with our colleagues in recommending that seats should be set apart for aboriginal tribes. The reason advanced for special representation of these tribes is that they live a life entirely apart from the rest of the population and therefore their interest and welfare should be protected by efficient representation. The implication is that future governments will not look after their interest; but the experience of the past ten years shows that more attention has been paid by Ministers to the welfare of backward classes than before the reforms. More persons from these classes are likely to be brought on the electoral roll under the proposed extension of the franchise, and their advancement will be more rapid by being brought into closer association with the general population than by being kept aloof.

Undoubtedly the uplift of these tribes should be an active concern of the legislatures. The areas they inhabit should no more be relegated to the position of 'excluded areas.' There is at present a number of non-official agencies working for their uplift, and with the extended franchise now proposed one or more of them will not find it difficult to secure election to the legislatures, and they will make the welfare of the tribes their special concern.

MILITARY SERVICE QUALIFICATION

32. We regret we are unable to endorse the recommendation of our colleagues that the military service qualification for the franchise should be maintained. This is the less necessary in view of the extension of the general franchise qualifications now proposed. It was introduced in 1919-20 because of the glamour of war then fresh in the people's mind. We are aware of no such differentiation in favour of service of one description in other countries and we do not think it need be perpetuated in ours. If, however, our colleagues' recommendation be accepted by authority, we think it fair that the privilege should be extended to the Auxiliary and Territorial Forces as well.

MULTI-MEMBER AND SINGLE-MEMBER CONSTITUENCIES

33. Here is another question a definite recommendation on which is difficult in the absence of a decision of the communal question. The main factors are :—

- (1) that the simplest and most convenient arrangement would undoubtedly be comparatively small and compact single member constituencies;
- (2) but that this consideration is outweighed by the circumstances that substantial justice to minorities, large or small, cannot be secured thereby; and
- (3) that the reservation of seats for any section of the people in general electorates is impossible except in multi-member constituencies.

Two considerations weigh with us—we do not want separate electorates, and we are equally earnest that no substantial minority shall suffer injustice. This double object can only be achieved by multi-member constituencies where necessary. We agree with Diwan Bahadur M. Ramachandra Rao in urging that the present system of multi-member constituencies in Madras should be retained. In the circumstances of that presidency we endorse his opposition to the creation of single-member constituencies.

34. We are of the same opinion in regard to Bombay. At present seats are reserved for Marathas in that presidency. The figures furnished by the Government of Bombay to the Simon Commission show that in respect of population as well as of number of electors, the Marathas form a very respectable proportion of the total, and they are a majority in several constituencies. In nine constituencies for which figures have been given, the Marathas number 4,19,244 out of a total population of 6,476,538, while the number of Marathas voters is 99,622 in a total of 191,474. When the franchise is extended as we propose, their position will certainly be stronger. Therefore, we cannot agree with our colleagues that reservation of seats for them should be continued.

SECOND CHAMBERS IN PROVINCES

35. While we recognise that there is no specific recommendation on this subject in the Report, we feel so keenly, our conviction is so strong, that in the public interest second chambers ought not to be established in the provinces, that we deem it our duty to say so in unambiguous language. We cannot help thinking, in the circumstances in which the subject has been brought to the fore in the discussions on the new constitution, that second chambers are intended at least by some of the advocates of the innovation to act as a 'counterpoise' to councils elected on a wide franchise and representing the people at large. The theory of counterpoise was openly adumbrated in the Government of India's scheme of reforms dated August 24, 1907; while in present discussions the upholders of vested interests are the most prominent advocates of second chambers. In a note on the Government of India's scheme referred to above, Sir Reginald Craddock, then Chief Commissioner of the Central Provinces and now a Conservative member of Parliament wrote as follows :—

"A common criticism of the Government of India's scheme is that the Government, who have by a long course of legislation endeavoured to check the arbitrary

exercise of power by the landlords, great and small, of the country, is now seeking to invest these same classes with an importance and an authority of which their own legislation has pronounced them to be unworthy. It is not easy for the Government to escape.....entirely from the criticism in so far as the idea of the aristocracy as such being set to check the literate classes as such can be read into the intentions of the Government scheme. It is upon education that the whole case for extended councils is based. Were it not so, the case for giving enlarged influence to the landed classes would be no stronger now than it was twenty years ago, indeed it would be weaker, since those classes have admittedly lost some of their former hereditary predominance.'

'If in any province or part of India the aristocratic class continue to be so backward that they do not command public confidence, or are incapable of giving an opinion of value outside their own purely local interests, the policy should be to encourage them to educate themselves, and not to confer upon them duties or dignities for which they are unfitted.'

'Such elective powers as are given should be free and unhampered by class restrictions.....I do not think it advisable to create constituencies made of artificial electorates with no common tie but that of creed or occupation.....It would in my judgment be better not to anticipate that lawyers and school-masters will oust the land-holding classes.....'

'There can be no doubt that the proposals of the Government.....have aroused the suspicion that they are intended to cover or will have the effect of covering, under the guise of concessions, an extension of the policy of divide and rule.....'

'The risks attaching to a bold step forward are much less than those entailed by an advance too small, or by one which deviates too far from the direct road.....'

36. A recent writer thus sums up the results of the bicameral system in the American States :

'It increases the cost and complexity of the law-making machinery ; it facilitates, even actively encourages, the making of laws by a process of compromise, bargaining and logrolling ; it compels all legislative proposals to follow a circuitous route on their way to final enactment ; it provides countless opportunities for obstruction and delay ; and it makes easy the shifting of responsibility for unpopular legislation. Finally, it has proved a barrier to the planning of the laws.'

37. There are weighty reasons against the constitution of second chamber in provinces. The nature of subjects which it will be competent to provincial legislatures to consider ; the peculiar constitution of the councils, actual and proposed, which does away with the risk of hasty legislation ; the needless cost which one more house of the legislature will impose upon tax-payers already impoverished and over-burdened—these are among the arguments against bicameral provincial legislatures, besides what have been stated in the report. Our opposition to second chambers is therefore unqualified.

FEDERAL LEGISLATURE

38. In our opinion, the recommendations of our colleagues as regards the franchise for the federal assembly of the future are not adequate. They propose (para 409) that the franchise for the present provincial councils should be the franchise for the future assembly, with the addition of electors brought in by educational and literacy tests for men and women respectively and of a lower franchise in the Central Provinces and Berar in order to double the number of the present Council electors in that province. This will mean the enfranchisement of about 3.5 per cent of the population which is the present average for the whole of British India for provincial councils supplemented by the numbers that will be brought in by the additional qualifications which have been proposed. We do not suppose that the total will be brought up to even five per cent of the population. When it is borne in mind that the present Assembly has repeatedly been held up for its unrepresentative character, and that this has been urged as an excuse for the Government's disregard of the views and wishes of that body, and as it is intended that the assembly of the future should be endowed with some power over the Executive and therefore charged with vastly greater responsibilities, we cannot but think that an electorate which will be hardly five per cent of the population is utterly inadequate. In Bihar and Orissa, it will be less than 2 per cent, while in the Central Provinces and Berar it will be about three per cent only. In our opinion, there are advantages, both political and administrative, in having the same franchise for both provincial councils and the federal assembly. The chief political advantage is that then the assembly will be

representative of a little over 14 per cent. of the population. The administrative advantages are that two separate electoral rolls will not have to be prepared, and that the polling will be simpler. Against these considerations is urged the enormous increase of electors in each constituency and the great difficulty which candidates will experience in conducting their election campaigns. While we recognise the force of this argument, we cannot by any means regard it as conclusive. Our colleagues' proposal will still impose upon candidates the necessity of dealing with such numbers that they will find it impossible to canvass electors individually. The chief factor is the area of constituencies and not the number of electors and owing to the proposed increase of the size of the Assembly the area of every constituency will be much smaller than at present. Therefore, even if the numbers are increased as we propose the task of candidates will be easier than it is at present. The argument of administrative convenience is more in favour of our proposal than that of the majority.

39. With one argument that has been urged in defence of the smaller electorate that has been proposed, we do not agree at all. Our colleagues say (para. 412) that most of the matters dealt with by the Federal Assembly will affect the mass of the population less directly than do the matters under the control of the provincial legislatures. We do contend that tariffs and customs and other subjects of which the central legislature will be seized have a direct bearing on the lives of the people particularly of a people as poor as the people of India are; while all the influence that can be exerted by the Assembly on questions of army policy and military expenditure will also concern the people materially, as the proportion of revenue spent upon defence determines how much of it will be available for beneficent activities.

40. *We are opposed to any representation of 'special interests' in either house of the federal legislature even more strongly than to such representation in the province.* There is still less need for it there, and we shall be sorry to see it maintained both because the representation of general constituencies will thereby be curtailed and because the importance of sectional as opposed to general interests will be unduly magnified.

Mr. Bakhale would make an exception in favour of Labour. As Labour is a central subject, it requires special representation in the federal or central legislature.

41. While we agree that election to the upper house of the federal legislature should be indirect and the constituencies should be the provincial legislatures, we must affirm our opposition to members of the second chambers of the latter—if, unfortunately, they be brought into existence any where—being allowed to participate in the election. The argument in support of election by the provincial legislatures is that there presentation in the upper house should be of federating units and not of the population. The sole representative organ of each federating unit will be the popular elected house of legislators, and we cannot agree to the smaller, less representative, and therefore less important house having any voice in the matter.

42. Neither can we agree with the majority when they state (para. 399) that the 'question of the representation of those section of the provincial legislature which will not be able to secure representation in the upper house of the federal legislature by the single transferable vote 'will require consideration later' for representation in that house will be of states and provinces and not of classes or communities.

43. We are decidedly opposed to the filling of vacancies in provincial legislatures occurring by reason of any members thereof being elected to the upper house of the federal legislature by co-option by the legislatures themselves. This will amount to the disenfranchisement of the constituencies concerned—a punishment which they will not have at all deserved. Besides, members so co-opted will not possess a representative character and their view will not carry the weight which would attach to the opinions of their colleagues duly elected by the people.

44. It would have been a matter of deep gratification to us if we had been able to avoid any dissent from the recommendations of our colleagues. We regret that this has not been possible. *It is our conviction that the object and purpose of reform will not only not be adequately fulfilled, but may be frustrated by some of the recommendation of the majority.* And keen as we are that this should not be and that the reforms should in reality be a large measure of political appeasement, we commend our proposals to serious consideration.

THE MIDDLETON ENQUIRY REPORT

On the Kashmir shooting

The following is the text of the report of Mr. Middleton, I. C. S., who enquired into the causes of the September 1931 disturbances in Srinagar, Anantnagar and Shopian, and about the measures adopted for the suppression thereof.

The Military had to fire on four different occasions, and Mr. Middleton's finding is: "The firing in Shopian was necessary and was completely justified, and restricted to the minimum necessary. The firing in Maisuma Bazar was necessary, and completely justified, though it is possible that a few shots were fired indiscriminately after the immediate necessity was over. The firing at the Jumma Masjid, Srinagar, was necessitated by the dangerous position in which the Military was placed, but had the officials made adequate plans and remained on the spot, possibly the resort to force might have been avoided. The firing in Anantnagar was rendered necessary by the position which arose from the gross mishandling of the situation by officials, and it appears to have been continued after the necessity had ceased and to have been excessive."

MILITARY CONTROL IN SRINAGAR

Referring to the period of military control in Srinagar, about which it may be recalled there was an agitation in the Press, over the "brutal retaliation against Moslems" and which in the main was responsible for ordering of the enquiry, Mr. Middleton states: "Rumours of alleged excesses during the military occupation were so rife amongst the European residents in Srinagar that, although I had issued public notices asking all eye-witnesses to attend the enquiry, I felt that my duty was not completed merely by taking the evidence of those who came forward in response. I made several attempts to trace the more serious rumours to their sources and in all cases I found that they were not based on personal knowledge, and that no credible evidence was forthcoming in support of them. For instance, there was an apparently well-supported rumour that two men had died as a result of being flogged. Personal knowledge of this fact had been consistently alleged to my informants, who were convinced of the truth thereof, but after I had enlisted their co-operation, these informants were unable to induce the persons alleging knowledge to come forward as witnesses, and were ultimately convinced that the story was not based on facts. I have mentioned the matter because the actual evidence produced is not in any way commensurate with the rumours which had been accepted as true by large numbers of the educated public, and it appears to me necessary to mention this before stating that I am satisfied that there has not been any general suppression of evidence, and that the Moslem public has endeavoured to place all the facts before me at the enquiry."

Mr. Middleton's findings are that there is no truth in the allegation that the Moslems were forced to shout out slogans abusive of their religion. "The variety of such slogans mentioned in evidence does more credit to the inventive genius of the witnesses than to their veracity", remarks the enquiry officer.

Referring to certain instances of cruelty brought to the Resident's notice by the correspondent of the "Statesman" newspaper and his wife and daughter, Mr. Middleton says: "If Colonel Johnson and other witnesses are correct in believing that but for their courageous intervention serious injury and perhaps death would have resulted, the incident cannot be regarded as typical. Throughout the period, no case of serious injury was reported. The cases treated by medical men included not cases of serious injury or broken limbs, and I am convinced that if any such cases had occurred they would have been eagerly brought to my notice."

SENTENCES OF FLOGGING

Mr. Middleton disposes of the charge of public flogging thus: There was certainly no public flogging in the sense that flogging was administered

in public as a deterrent measure to impress the public." But he observes that, unfortunately, for two days, floggings were carried out at the exhibition ground, visible from the road. Directly, Mr. Sutherland was informed of it, he had the triangle removed to an enclosure. Sentences of flogging were enforced in a hundred cases. Mr. Middleton examined the records of such summary trials, and observes: "In the main, the sentences were necessary to suppress the spreading of false rumours or the shouting of inflammatory slogans likely to lead to an outbreak."

Touching on similar rumours of the military and the police excesses in Shopian and Anantnagar, Mr. Middleton writes: "The allegations were so false and exaggerated as effectually to prevent the truth coming to light. I do not believe, Moslems were ordered to utter slogans directed against their religion."

While expressing himself as not satisfied with the truth of the allegations of severity and ill treatment, Mr. Middleton observes that people were forced to stand and salute on occasions when the police and troops passed by and were beaten if they delayed doing so.

Referring to the causes of the disturbance, the conclusions of Mr. Middleton are as follows:

"On the 26th August, an agreement was arrived at between Srinagar leaders and the Prime Minister, but within a short time, a widespread campaign was organised to point out to the people that the terms of this agreement had not been observed by the authorities. Only two specific cases of alleged breach have been brought to my notice in evidence. They are without solid foundation, and others may also be of an imaginary nature. Speeches accusing the Government of perfidy were in themselves a breach of the truce and left the Government no alternative, but to take measures for their suppression. The campaign was one which could be tolerated by no Government, as it was one calculated to bring the Government into disrepute."

Dealing with the causes of the riots in Shopian and Anantnagar, Mr. Middleton says: "Irresponsible Muslim leaders accused the local Hindu officials of a conspiracy to rouse Moslems to violent action, which Mr. Middleton describes, as an accusation based on the most unwarranted suspicions, and negatived by the obvious fact that any outbreaks amongst Moslems would have been accompanied by a serious danger to the very small minorities who were alleged to be working to cause them. At Shopian, the disturbance took the nature of a direct attack by Moslems on the police station, during which a police official met with his death. There can be no excuse for their conduct. The measures taken to suppress the riots were fully justified and the situation was well handled."

In all, 384 witnesses were examined, Mr. Middleton notes that a majority of them were recognised by certain groups of persons as representatives of their interests, and throughout the proceedings this group was represented in the court by nominees who watched the proceedings on their behalf.

The report is studded with serious reflections by Mr. Middleton on the nature of the evidence produced by Moslems such as "Obvious fabrications," palpably false story", "a deliberate falsehood although so many people have joined in it" and "another falsehood invented to exaggerate the allegations against the authorities."

Regarding the Shopian evidence, Mr. Middleton uses strong words. "The real or supposed suspicions were supported by falsehood, and much of the evidence in support of the accusations was palpably false." He cites instances to indicate the "utterly worthless character of the evidence. "One witness," Mr. Middleton observes, "alleged that he found his two children lying unconscious in his house. According to him, they had been rendered unconscious by the sound of firing on the 25th. September though 200 yards away. Children had remained in this state for 48 hours, but recovered directly he gave them water to drink. The witness stated that his wife had gone to visit her parents on the 27th, leaving the children at home in an unconscious state. The majority of the allegations of the villagers are false and all are exaggerated. Where such mass of the allegations is made, it is hard to believe that there is no substratum of fact on which they have been reared, but the attitude of these villagers was such that it was clear many scarcely expected their stories to be believed. They trusted to the principle that, if enough mud is thrown, some is sure to stick."

Similar scathing remarks against Moslem leaders are also made with regard to the Jumma Masjid mob, which was uncontrolled due to the "absence of leaders, who are much to blame for not being present to control crowds, which they had

themselves directed to assemble. Had the leaders been present from the start, it is possible that all resort to force might have been avoided."

CRITICISM OF OFFICIALS

The officials have not escaped condemnation. At Srinagar they came in for criticism for failing to post troops and making no plans for action in case a procession was started. The Anantnagar local officers are condemned for "shirking the responsibility attached to their position." Attempts to persuade the crowd to disperse are described as half-hearted and the officials "appear to have been in a nervous state." The entire incidents at Srinagar force Mr. Middleton to conclude: "The agitation was directed against the State authorities, and although it was entirely Mahomedan, it was not communal in the sense of being directed against any other community."

THE GLANCY REPORT

The following is a summary of the proposals made in the Glancy Report on Constitutional Reforms in Kashmir :—

In his orders dated the 12th November 1931, His Highness was pleased to declare that, as has already been announced, it was his intention that measure should be devised for associating his subjects with the Government of the State. It was ordered that, as soon as the Commission appointed to inquire into complaints and disabilities had finished its work, a conference, at which the various interests concerned would be represented, would meet to discuss the introduction of constitutional reforms in accordance with His Highness' intention. The Commission appointed for the investigation of complaints and disabilities finished its sittings in the second week of March 1932, and the Constitutional Conference began its work immediately thereafter.

After explaining the composition of the Conference and the objects thereof, the Report proceeds :

The most important issues which the Conference had examined are as follows :

(a) Is it desirable that there should be a Legislative Assembly? (b) If so, (i) what should be the functions of such an Assembly, (ii) what should be the franchise basis, and (iii) how should the Assembly be composed.

All regards the first of these questions there has been some difference of opinion. In regard to the functions of the proposed Assembly something closely approaching unanimity has been achieved. So far as the other main issue are concerned, there has been a very considerable divergence of views, especially with regard to the composition of the Assembly. The divergence is hardly surprising, considering the conflicting interests which different members have represented. There appeared unfortunately to be no hope whatsoever of attaining any semblance of a unanimous finding on these points, and it was therefore agreed that there was no prospect of submitting a joint report. The Chairman accordingly forwards his own recommendations referring, as may be necessary, to the opinions put forward on behalf of various interests : the proceedings recorded will show that the recommendations made follow in general the joint views expressed, where there has been a consensus of opinion : where opinions have differed, endeavours have been made to bear in mind the legitimate interests of all communities concerned.

LEGISLATIVE ASSEMBLY

Certain members have expressed considerable misgivings as to the wisdom of such an innovation at the present time, in view of the disturbed conditions which have unhappily been prevailing. The general feeling is, however, in favour of such an experiment being tried. It appears highly desirable that the subjects of the State should be given a voice in the administration and in view of the announcement already made by His Highness in this behalf, there would seem to be no room

for doubt as to the action which should be taken in this respect. It is recommended that a Legislative Assembly should be established as soon as may be practicable.

A virtually unanimous opinion has been expressed at the Conference in favour of the functions of the Assembly being defined as follows :—

Subject to the final assent of His Highness the Maharaja Bahadur the Assembly should have power to make laws.

All Government bills except such bills, if any, as relate exclusively to reserved subjects, namely (1) the person or privileges of His Highness or members of the the Ruling Family, (2) foreign relations, (3) the discipline and control of the State Forces, should not become law until ratified thereby, provided that.

(a) His Highness should in case of emergency retain full power to make and promulgate ordinance for the good government of the State and any such ordinances should be operative for a period of six months unless repealed by His Highness at an earlier date.

(b) His Highness should, where he considers it necessary in the interests of good government, have power to certify any bill which the Assembly may decline to pass.

QUESTIONS AND RESOLUTIONS

The Report then explains the practically unanimous recommendations regarding private bills, and proceeds :—

Questions and resolutions should be permitted without restriction provided that :—
(1) they do not relate to reserved subjects ; (2) they do not affect the religious rites, usages, endowments of personal law of any community other than that to which the member asking the question or moving the resolution belongs ; such questions or resolutions may, however, be allowed with the special permission of the president of the Assembly, who should, where he considers it necessary, refer the matter for the orders of His Highness ; (3) they do not relate to the merits of cases under enquiry by a court of law. Supplementary questions should be allowed.

BUDGET

In regard to the Budget the Report recommends :—

No kind of new taxation should be imposed without reference to the Assembly, the grant of monopolies, etc., which amount in themselves to the imposition of new taxation should be treated in the same manner.

It has been suggested that simultaneously with the creation of the Assembly, a non-official Standing Committee should be appointed and that the policy of the Government in regard to finance, public health, etc., should be explained to the members of such committee and their opinions on these points should be ascertained.

This is a development which might well take place after a suitable period has elapsed. It appears advisable, however, that it should be deferred until the Assembly has actually been created and some experience of its working has been gained.

FRANCHISE

It is generally agreed that the number of voters on the electoral roll should amount approximately to ten per cent of the total population, a ratio which has frequently been adopted as the working rule in British India. In order to achieve this object the appointment of a Franchise Committee or some organisation corresponding thereto will be necessary. Information is unfortunately lacking as to the number of people likely to be entitled to vote if different kinds of qualifications are adopted ; the proposals put forward are therefore merely tentative and suggested as a temporary expedient.

As a working basis for the time being, various qualifications have been suggested. It will be observed from the proceedings that opinion have differed to a marked extent in this respect. For instance, the views given in respect to land revenue qualifications have varied between Rs 10 payment and Rs. 50 payment per annum ; in respect to immovable property between Rs. 500 and Rs. 2000 in value, and in regard to educational qualifications between middle, pass and graduate standard.

It is recommended that in the four following cases, the standards now prescribed for the right of voting at Municipal elections may be adopted as franchise qualifications in regard to the Assembly :—

1. Payment of land revenue not less than Rs. 20 per annum ;
2. Possession of

immovable property not less than Rs. 1000 in value ; 3. Membership of a learned profession, such as the Medical or Legal profession etc. ; 4. The receipt of a Government pension of not less than Rs. 25 per month.

In addition to the above it is recommended that any of the following additional qualifications should also be regarded as sufficient :

(1) Payment of municipal taxes not less than Rs. 20 per annum ; (2) title holders, Zaildars, Lumberdars and Safedposhes ; (3) Jaigirdars and Pattadars enjoying an assignment of not less than Rs. 50 per annum ; (4) Educational standard Matriculate or corresponding Vernacular standard.

The same qualifications for membership of the Assembly as those recommended for franchise might be adopted.

It is recommended that the following among others should be regarded as disqualified for purpose of franchise :-

(1) Females ; (2) persons below the age of 21 ; (3) persons certified as insane ; (4) undischarged bankrupts or insolvents ; (5) persons convicted by a criminal court of an offence punishable with imprisonment for a term exceeding six months, provided that if a period of five years has elapsed since the termination of the sentence, the disqualifications shall cease to operate ; (6) persons who are at the time of the election under order by a competent court to provide security for good behaviour ; (7) persons other than State subjects who have not been domiciled in the State for consecutive period of five years immediately preceding the time of the election.

Some members have given their opinions in favour of an experiment in the direction of female suffrage. But the general consensus of opinion is against this departure. In view of the backward condition of female education it appears advisable to defer for the present any proposal of this nature.

COMPOSITION OF ASSEMBLY

The total population of the State is recorded as roughly 36½ lakhs. Excluding the Poonch and Chenani Jagirs and certain distinct Frontier Illaqs such as Hunza and Nagar, which are in certain respects withdrawn from the scope of the ordinary State machinery, the population comes to approximately 32 lakhs. If Ladakh and Gilgit proper are also, excluded there would be a further reduction of about 2½ lakhs. The general feeling of the conference is that Ladakh and Gilgit proper should not be excluded for the purpose of the Assembly. It is true that these tracts are comparatively backward, also that they are cut off at certain times of the year ; they form, however, an integral part of the State for ordinary purposes and except in the winter months communications are open.

It is clearly undesirable that the Assembly should be composed of so large a number of members as to become unwieldy. A working basis in regard to the number of elected members would seem to be provided by the allotment of one such member to every lakh of the population. On this basis there would be 32 elected members in all.

JOINT OR SEPARATE ELECTORATES

One important question that arises is whether electorates should be separate or joint. It will be observed that there has been a general consensus of opinion at the Conference in favour of separate electorates. Some members have pointed out that although the establishment of separate electorates has sometimes been regarded as responsible for increasing communal tension in British India, the acute, communal feeling which unhappily prevails in the State at the present time can certainly not be ascribed to this cause ; it has been maintained that in the case of the Srinagar Municipality the introduction of joint electorates has enhanced the feeling of antagonism and distrust between the different communities. It would appear that in the existing state of tension, the institution of joint electorates must be regarded as a dangerous experiment. It is obviously advisable at the present time to avoid as far as possible all superfluous elements of danger. Separate electorates are accordingly recommended.

There has been a consensus of opinion on the point that there should be no plural voting. The place at which a voter should record his vote should depend upon the locality in which he normally resides at the time of the election.

In regard to the allocation of elected seats in the Assembly among the various communities, widely different views have been put forward.

If population is strictly followed, Muslims whose ratio works out at 75 per cent

should get 24 out of 32 elected seats and Hindus who come to 22 per cent., should be given 7. Buddhists and Sikhs would hardly qualify for one seat between them.

The principle of "weightage" has, however, to be taken into account in order to safeguard the interests of minor communities. This principle has been fully recognised in British India. Responsible Mohammedan opinion has been expressed in favour of the principle of "weightage" being applied to the State Assembly provided that Muslims are allowed to retain an actual majority in the matter of elected seats.

A fair solution would appear to be provided by allowing to Hindus sufficient "weightage" to bring their number of elected seats in the Assembly up to $33\frac{1}{3}$ per cent. Muslims would in this case be awarded a fraction over 60 per cent. while Sikhs and Buddhists would each be given just over 3 per cent.

It has been claimed that not less than 4 seats should be allowed to Sikhs, or failing that, two, one for Jammu and one for Kashmir. It is suggested that their aspiration might be met by the practice of including among the nominated members one Sikh member coming from that province to which the elected Sikh member does not belong. The only other alternative that seems possible is to increase by one the total number of elected members, but this would of course disturb the general ratio.

In the case of the Buddhists one elected seat should suffice.

Some difficulty is to be found in deciding how effect is to be given to the "weightage" proposed for Hindus. It is true that the great bulk of the Hindu population belongs to the Jammu Province, but there are obvious objections in the way of allotting them a larger number of seats in that Province than can be given to Muslims, who even in Jammu are more numerous than Hindus. The most satisfactory solution appears to lie in giving the "weightage" its main effect in the Kashmir Province; although the Hindus in Kashmir are relatively small in number they are a highly advanced community and it is to be expected that their voting strength will prove to be considerably higher than their population would suggest.

It is not proposed that any elected seats should be reserved for the depressed classes. In the census the depressed classes are recorded as Hindus, and there appears to be no sufficient reason for according them different treatment from that received by them in the Punjab, where no special reservation obtains.

NOMINATED MEMBERS

Here again there has been a great difference of opinion, the proposals put forward by various members for the proportion of nominated to elected seats vary between 25 per cent and 150 per cent.

It would seem a fair solution that the total number of nominated members, should be equal to two-thirds of the number of elected members, namely 22, and that in addition to these His Highness the Maharaja Bahadur should, if he sees fit to do so, appoint his Ministers, not exceeding 5 in number, as ex-officio members. The total membership of the Assembly would thus be limited to 60 ($33+22+5$). In regard to the nominated members, not less than one-third should be non-officials; apart from this His Highness should have entire discretion in the matter of nomination. There has been a general consensus of opinion, however, expressed at the Conference that nomination should be so regulated as to provide as far as possible for the representation of interests which are not specially catered for in the elected membership, such for instance as Jagirdars and commercial interests.

If the above recommendations are adopted, there would be a clear elected majority and there would be a proportion of not less than two non-official members to one official member.

DISTRICT BOARD

At present there are no District Boards in the State. There has been a general consensus of opinion expressed at the Conference in favour of a beginning being made in this matter in the following way.

Wazirs or District Officers should once every year call a meeting of all the Zaildars in their Districts. The Tahsildars and the Road Cess Overseer should also be present. The Wazir should make known the amount of funds available from the Road Cess Fund for expenditure in the Wazarat. He should ascertain from those present the requirements of the various Zails and he should then proceed to make allotments after taking into consideration the views expressed. Zaildars should at the same time be given an opportunity to put forward their views in regard to other matters such as Schools, Medical Relief, Sanitation, etc.

In the case of districts in which distances are great and communications indifferent, such as, for instance, the Udhampur Wazart which includes Kishtwar, Bhadrawah and Ramban, it may be difficult to summon Zaildars to District headquarters without causing them undue inconvenience; in such cases the Wazir should make a point of consulting Zaildars at convenient places when he proceeds on tour.

The Orissa Boundaries Committee Report

That a separate Province of Orissa could be created was the view of the Orissa Committee whose report was published at Simla on the 25th May 1932.

The area of the new Province approximately will be 33,000 square miles, with a population of about 8,277,000. It will consist of the Orissa division, Angul, Khariar Zemindari, a greater part of the Ganjam district and of the Vizagapatam Agency tracts.

The Committee met under the chairmanship of Sir S. P. O'Donnell, with the Hon'ble Mr. H. M. Mehta and Mr. T. K. Phookun, M. L. A., as members. The Raja of Parlakimedi, Mr. Sachchidananda Sinha and Rao Bahadur O. V. S. Narasimha Raju were co-opted as members, and shared freely in the proceedings, but took no part in drafting and signing the report.

The report was unanimous except that Messrs. Mehta and Phookun recommended that the Parlakmedi Zemindari should also be included in the new Province.

In framing their proposals, the Committee have taken into account language, race, attitude of the people, geographical position, economic interest and administrative convenience, and have attached primary importance to the wishes of the inhabitants. The views of the people on either side of the boundary were not ignored, in order to ensure the greatest measure of agreement between the area losing and the area gaining territory.

In framing the estimates of revenue for the new Province, the Committee have assumed that the sources of revenue will be those at present allocated to the Provinces.

Similarly, in the estimates of expenditure, they have adhered closely to the existing standards both of salary and administration, at the same time assuming that suitable economical arrangements would be adopted.

The new Provinces will not have a High Court or a University.

As regards long term prisoners, training of constables, etc., it will rely on institutions maintained by Bihar to the cost of which it will make a contribution.

As regards interest and reduction of debts, the Committee have taken the same view as the Sind Financial Enquiry Committee, namely, that the only equitable distribution, both of assets and debts, is for each province concerned to take over all the assets and liabilities.

The basic revenues of the new province are calculated at Rs. 136.58 lakhs, and the basic expenditure, including the debt charges, at Rs. 152.50 lakhs. To the latter figure must be added the cost of separation amounting to Rs. 18.23 lakhs, bringing the deficit in the first year of separation to Rs. 34.15 lakhs, and allowing for the normal expansion of expenditure in the last year. The total deficit in the first year will amount to Rs. 35.21 lakhs, the Committee however anticipate that the revenue will increase as the trade depression passes away, and prices to some extent recover. On the other hand expenditure will also rise gradually, raising the deficit to 40.93 lakhs in the fifteenth year. They hold that the deficits cannot be met to any appreciable extent by the imposition of new taxes, but only by the allocation of new sources of revenue or by a subvention from the Central Government or by a combination of both the methods.

The new Province will not be faced with any administrative difficulties except in the case of the All-India Services, where it will be necessary to borrow officers from other provinces.

The new Province will be almost entirely free from communal trouble. The number of Muslims is very small, and the Telugu minority is not large.

Separation in the case of Bihar would cause a slight difference in the proportion of the Muslim and Hindu populations, and would doubtless, necessitate the allotment to Muslims of a large proportion of the seats in the legislature in Madras. No serious administrative difficulties will be entailed.

The Committee are of the opinion that the creation of the new Province of Orissa may revive or create demands on behalf of other communities linked by ties of race and religion, and stimulate a revision of provincial boundaries on linguistic and racial lines.

THE TARIFF BOARD'S REPORT

To Protect Paper & Paper Pulp Industries

The following is the text of the Tariff Board's report published by the Government of India and the resolution containing their decision on the grant of protection to the paper and paper pulp industries.

It may be recalled that the Government of India, in March, 1931, asked the Tariff Board to examine the question how far the Bamboo Paper Industry (Protection) Act of 1925 had achieved its purpose of promoting the manufacture in India of paper from bamboo, and to consider whether the continuance of protection to the industry after March 31, 1932, was desirable. The Board's report, which was submitted on Oct. 15, 1931, was published for general information on the 2nd. February 1932.

On the first question the Board has found that considerable progress had been made in developing the bamboo paper industry. Supplies of raw material are in sight in ample quantity for all future requirements and are now obtained by paper mills at a very much lower cost than in 1925. When the industry was investigated in that year only one process of manufacturing pulp from bamboo was in commercial use and only in the works of one concern. During the past period of protection three other concerns have started and actively developed the manufacture of bamboo pulp and paper by other processes, and the success obtained by these several undertakings justifies the finding that though the development of bamboo pulp industry has not been so rapid as was anticipated in 1925, firm and solid foundations have been laid for that industry. The cost of production in Indian mills has been materially reduced during the period under review, and though this result is to be attributed largely to the fall which has taken place to the cost of raw materials, evidence has been produced to show that the installation of new plant and the improvement in manufacture methods have contributed greatly to this satisfactory result. The Board has examined the claims of the only alternative raw material to bamboo which India possesses in any large quantity, namely, the Babai grass, and finds that as the main raw material for Indian paper its potential supply falls far short of the requirements, that if grass were to be treated as a staple raw material, paper manufacture in India would require a protective duty considerably higher than that now in force, and that paper made from grass has a restricted market. Bamboo, on the other hand, can be obtained in ample quantity, paper of very good quality is being manufactured from it, and while the withdrawal of protection at the present stage will mean the disappearance of bamboo as a raw material for paper, an examination of the costs of manufacture shows a reasonable prospect of the bamboo paper industry being able eventually to dispense with protection. As was found during the first enquiry in 1925, a bounty is an inappropriate method of assisting this industry, and the Board has reached the conclusion that the continuance of the protective duty is necessary and that such protection as is given should apply equally to all methods of pulp and paper manufacture, whether the raw material used is bamboo or grass,

With these conclusions the Government of India are in agreement.

The Board has examined with care the cause and effect of the largely increased use of imported wood pulp by Indian mills which has occurred since the passing of the Bamboo Paper Industry (Protection) Act. The view was stated in the evidence given to the Board that the use of increased quantities of imported pulp had defeated the object of the Act, but the Board has found in regard to this matter that so far from the extended use of imported, the experimental work on bamboo, the increased output of paper as a pulp having prevented or retarded lower cost of production, which has been rendered possible very largely by the greater use of cheap imported pulp, has enabled Indian mills to provide the necessary finance for their work on bamboo. The development of the industry has, however, in the Board's view, now reached a stage when a definite stimulus should be applied to the manufacture and use of bamboo pulp and an appropriate method is the imposition of a new duty on imported wood pulp. The Government of India accept these conclusions.

The main recommendations made by the Board are as follows:—(1) Protection to the bamboo pulp and paper industry should be continued by means of a duty; (2) a duty on imported paper should be imposed at the same rate and on the same articles as at present; (3) a duty should be imposed on imported wood pulp at the rate of Rs. 45 per ton; (4) the protective duties on paper and pulp should remain in force for a period of seven years from April 1, 1932; (5) a conference should be held with representatives of different interests to decide the proper definition of the classes of paper to be subject to the protective duty; (6) compliance by paper-making companies with the principles stated in para. 292 of the Fiscal Commission's report should be made a condition precedent to the grant of concessions for the exploitation of forests and to the purchase of paper by the Government; (7) the paper pulp section of the Forest Research Institute should undertake the coordination of the experimental work on bamboo.

The Government of India accept the necessity for giving protection to the bamboo paper industry for a further period by means of a duty on paper and to the bamboo pulp industry by means of a duty on imports of pulp. They also accept the Board's recommendations regarding the rate of the two duties and the additional period of protection required.

As regards the definition to be embodied in the tariff schedule of the articles chargeable with the protective duty, the Government of India are unable to accept the Board's recommendation that, while the protective duty should continue to be imposed upon printing and writing papers, the definition of the kinds of paper to be classed under those two heads should be determined according to trade usage after consultation with the representatives of different interests. The definition of the articles to which the protective tariff is to apply should indicate as precisely as possible the intention of the legislature and should be so framed as to include any such articles as can be produced economically in the country or may compete with the indigenous product, and for this purpose trade usage provides no guide. At the same time, the Government of India appreciate the fact that 'classes of paper' gives rise to difficulties of interpretation, and if protection is given for a further period to the paper industry they propose to proceed without delay to revise the basis of assessment to duty of imported paper, in consultation with the different interests concerned, in such a way as to obviate disputes regarding interpretation of the tariff and to place the results of such a revision before the Legislature at the earliest opportunity. As, however, the time remaining before the expiry of the existing Act is insufficient to enable the new definitions to be properly determined, the Government of India consider that for the immediate purposes the best course will be to re-enact the law with the existing definitions. They consider, however, that the statutory minimum proportion of mechanical wood pulp required to exempt printing paper from the protective duty should be raised from 65 to 75 per cent. of fibre content, and that the allowances found necessary to provide margins for error in test and manufacture should be made entirely by executive order.

The Board's recommendations in respect of the observations laid down by the Indian Fiscal Commission are maintained in para 104 and the succeeding paragraphs of its report. The Government of India consider it necessary to advert specially to these recommendations, because in one important respect they appear to indicate a misapprehension of the Government's accepted policy in the matter. The policy of the Government of India has at no time been to require, as a condition of its receiving assistance through tariff or by bounties, that a company already engaged in the

industry when a grant of assistance is under consideration, should conform to the principles stated in para 292 of the Fiscal Commission's report. The principle that companies already engaged in the industry are not subject to the conditions in question received a clear statutory authority in the first Steel Industry (Protection) Act of 1924, sec. 5 of which regulated the grant of bounties, and it was reasserted in unmistakable language by the External Capital Committee in 1925. While, therefore, the Government of India consider that the manufacturing concerns enjoying tariff protection should hold it incumbent upon themselves to take such steps as are reasonably practicable to ensure Indian participation in the industry concerned, they must dissent from the view that compulsory methods for bringing about this result such as those suggested in para 108 of the Board's report are justified by any declaration of policy which has been made by the Government in the past.

The question whether it will be possible to maintain and develop the paper pulp section of the Forest Research Institute, as recommended by the Board, will receive separate consideration.

The Government of India propose to introduce legislation immediately to give effect in the manner indicated in para. 6 of this resolution to the Board's recommendations in respect of customs tariff.

THE TARIFF BOARD'S REPORT

To Protect Wire and Wire Nails Industries

The Government have also released for publication the Tariff Board's report and their decision on the grant of protection to the wire and wire nail industry. It will be remembered that the Government, in May last year, remitted to the Tariff Board for enquiry an application from the Indian Steel Wire Products asking for the restoration of protection to the wire and wire nail industry. The Board's report which was submitted on Oct. 15, 1931, was published for general information on the 2nd. FEBRUARY 1932. The Board's conclusions may be summarised as follows :—In order to justify the grant of protection to the manufacture of wire and wire nails in India, it is necessary that these products should be made from Indian steel, and for this purpose the establishment of a wire rod mill in India is essential. Since no mill exists in India capable of rolling wire rod, the application for protection to the wire and wire nail industry is premature, but one firm of Indian steel wire products at Tatanagar is at present manufacturing wire and wire nails from imported wire rod and is prepared, if protection is granted to the industry, to erect a mill capable of rolling wire rod from Indian steel bullets. The output of this mill would be large enough to secure an economical level of costs, and a market exists in India sufficient to absorb the output of the mill, including its products other than wire rod used in the manufacture of wire and wire nails. If the firm obtains no assistance now in carrying on manufacture from imported raw material it will be compelled to stop working, and temporary assistance should be granted, because the manufacture of wire and wire nails was given protection in 1924 and because the present proprietor of the concern, when he purchased the works, was justified in assuming that though protection had been withdrawn in 1927 restoration before 1930 was a reasonable certainty. The Board's recommendation is that so much assistance should be granted to the industry as will enable it to maintain itself until such time as may reasonably be expected to make arrangements for supplying itself with the material drawn from indigenous sources. It is calculated that if a selling price of Rs. 190 per ton can be guaranteed for wire nails, the manufacturer should obtain a profit on his present output of about 5 per cent on his total capital expenditure, and the Board considers this to be a fair price for the purpose of temporary assistance. It accordingly recommends the imposition of a duty on wire and wire nails at the rate of Rs. 45 per ton until the wire and wire nail industry's claim to

substantive protection has been investigated in the course of the next statutory enquiry into the iron and steel industry. The Board also recommends that the existing concession should be continued under which Messrs. Indian Steel Wire Products are permitted to import rod free of duty.

The Government of India have carefully considered the Board's report and have decided to accept its recommendations. They agree with the Tariff Board that until the industry can obtain its principal raw material in India the claim to protection cannot be substantiated. There is, however, a reasonable prospect that the firm now manufacturing wire and wire nails in India will before long be in a position to supply itself with indigenous raw material, and taking into account all the circumstances, the Government of India consider that the grant of tariff assistance for a limited period to afford the industry a further opportunity of removing the disability under which it labours would be in the national interests. Their attitude in the matter has not been influenced by the argument that the firm in question has an equitable claim to assistance owing to the circumstances in which it undertook manufacture, for in their view the claim breaks down and has not been established, but they consider it of great importance to the successful establishment in India of the steel industry as a whole that new branches of the industry should be created and the market for steel made in India thereby widened. The information in their possession leads them to believe that the manufacture of wire rod in India presents no insuperable difficulties, but unless assistance is given now such manufacture is likely to be postponed for an indefinite period. They desire, however, to make it plain, that when machinery for the manufacture of wire rod has been installed and production commences, that fact will not in itself constitute a valid claim to protection. It will still be necessary for the industry to show to the satisfaction of the Tariff Board and the Legislature that manufacture under the new conditions is likely to be economical, and in short, that the principles laid down by the Fiscal Commission are satisfied.

In accordance with the decision stated in the preceding paragraph, the Government of India will introduce legislation immediately to impose a protective duty of Rs. 45 per ton on the articles recommended by the Board to operate until March 31, 1934. They also propose to continue to allow to the Indian Steel Wire Products the concession which they enjoy at present in respect of the duty on imported wire rod.

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